California Journal

The Monthly Analysis of State Government and Politics

May 1982/$2.50

PRIMARY PREVIEW:

The wild Senate scramble

The San Diego zoo and other district hotspots

SPECIAL SECTION

June Proposition Analysis

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Political writer Don Harrison of San Diego thought he could get an inside look at Tom Bradley by interviewing one of the mayor's intimate friends. So he asked Bradley's tailor: "What kind of a man is Bradley?" The response: "He's a 44 extra-long."

Too bad that Dennis Peron of San Francisco didn't pursue his candidacy for Congress. In a preliminary filing, Peron listed his occupation as "marijuana merchant."

A new "California Edition" news show, featuring political reports from Sacramento, can now be heard over the public radio network throughout the state. Only one station has declined to use the show. You guessed it, the station in Sacramento — KXPR.

Here's a puzzling sign spotted on a freeway between Sacramento and Berkeley: "Watch for stopped cars while flashing." Travelers must be warned about those wild ones in Berkeley.

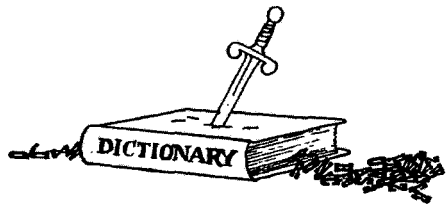
Senator Bill Richardson's article in the March issue drew the following letter:

> Dear H.L. . . .
>
> I recently read the article you wrote in *Cal Journal* on the Capitol Press Corps. I found your writing style charming, witty and effervescent; a refreshing change from the usual dry *Cal Journal* style. You should consider writing articles for them on a regular basis. Please do some others.
>
> Sincerely,
> Wifma Fingerdew
>
> P.S. Unfortunately, I do think your politics suck eggs.

The California AFL-CIO found three Republicans to endorse this June: Assemblyman Charles Imbrecht, who is running for the state Senate (his Democratic opponent, Gary Hart, was also endorsed); Dewey Wiles, running for an open Senate seat in Orange County (Democrat Frank Barbaro also won an endorsement), and Councilman David G. Sills of Irvine, who is running against Republican Assemblyman Nolan Frizzelle. But the most interesting endorsements came in the 18th Assembly District. The AFL-CIO gave its COPE seal of approval to Democrats Dorcas Ann Morrison and Peter (Primo) McHugh. Translation: Organized labor will take anyone over incumbent Democrat Alister McAlister, who votes like a conservative Republican.

Eagle-eye Ray Colvig of the University of California public information office in Berkeley spotted the name of David Armor as an anti-busing candidate for the Republican nomination for Congress in Los Angeles. Is this the same Dave Armor, Colvig asked, who was the first student-body president elected by the left-wing SLATE organization back in 1959-60? Right you are, Dr. Colvig, it's the same Dave Armor who protested the firing of an Illinois professor who advocated free love. Armor says his political views changed dramatically after he left Berkeley.

The verbing of California



I admit I was aghasted when first I was impacted upon.
I horrored when confronted with hallmarking.
But the shock was absorbed as other nouns were transitived.
Everywhere, Californians were actualizing.
A respectable language was being verbicized.

Some of us are partying and discoing.
Others are marathoning and tennising.
Computer types are interfacing and networking.
Motorists are onramping, carpooling and offramping.
Only state government could bring us asterisked.
(Is anyone in Sacramento willing to risk an ast?)

Bureaucrats can't function without prioritizing and finalizing.
Meetings must be media-noticed.
Information is often referenced.
Programs should be optimized or beneficialized.

Not to be outdone, our Legislature cannot vote agencies out of existence. The word of choice is sunsetted.
When laws make information open to the public, the operative verb is sunshined.
All bills are committeed. Some are interimmed.
And let us not forget that sexist old-timer — the exemption procedure known as grandfathering.

America may have been greened, but California has been browned and grayed.
It is easy for anyone to become addicted to this trending.
Verbing eligiblizes one for admission to the Alexander Haig school of communications and its courses on caveating.
Unfortunately, coffee breaking is about to end, and I must complete bureaucratting.
I've said enough on this subject — better yet, predicate.

— LUANA LUTHER

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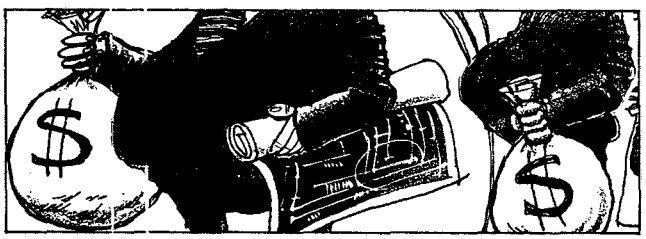

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Special Section: Proposition Analysis

The Peripheral Canal . . . controversial changes in criminal law . . . abolition of inheritance taxes . . . indexing of the income tax . . . the reapportionment battle. These and other issues face California voters in 12 June ballot propositions. This special section — offering background, analysis and pros and cons on every proposition — is also available as a reprint.

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Personal

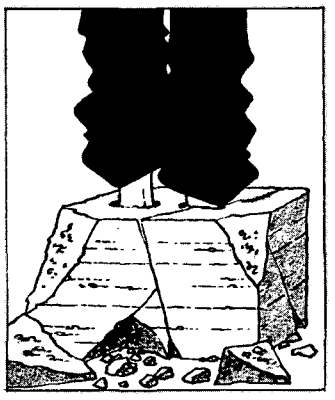
PERSPECTIVE

By Ed Salzman

President and governor

Two years ago, when it became apparent that Ronald Reagan indeed might be elected president of the United States, journalists from throughout the world made the mandatory pilgrimage to Sacramento to learn what kind of a chief executive he might be. The message emanating from Sacramento was rather simple: Reagan sounds like a hard-right ideologue, and he will act like one for a while. But when the going gets rough, he will become a practical politician, rising above principle when it seems advantageous to do so.

Thus far, Reagan has made those of us based in Sacramento look like fools or liars. The president has shown no indication that he will back away from supply-side economics, even though many of his former supporters in Congress are disassociating themselves with the White House as the November election nears. He is sticking stubbornly to his priorities — lower taxes and increased defense spending ahead of a balanced budget (even though he promised the voters all three while running for president).



Will Reagan follow the Sacramento pattern and switch from ideologue to pragmatist? If so, when? Will it be in time to save the Republican Party from setbacks at the ballot box this year?

If President Reagan acts as he did as Governor Reagan, don't look for any change until long after the November votes have been counted. Reagan came into office as governor at the stroke of midnight on January 1st, 1967. He immediately instituted his "cut and squeeze and trim" fiscal policies. He declared that "taxes should hurt" and repeatedly rejected proposals to institute withholding of state income taxes via payroll deduction. He said his feet were "in concrete" on the issue.

If there is one event that marked the change in Reagan, it was his announcement that he had changed his views on withholding — "That sound you hear is the concrete cracking around my feet." That statement was made on February 3rd, 1970 — more than three years after Reagan took office. By Reagan's second term, the treasury started overflowing with cash and some of the state budgets were far fatter than any signed into law by his successor, Democrat Jerry Brown.

There are a couple of significant differences between President Reagan and Governor Reagan. In Sacramento, Reagan couldn't get anything done without cutting a deal with the Democratic leadership. Now, he has a Republican Senate and a House of Representatives that produced a majority for his fiscal policies last year.

Perhaps more significantly, Governor Reagan had his eye on the White House from the day he defeated Pat Brown. He needed to show the country that he could be an effective governor so that he would be acceptable to those in the central zone of the political spectrum. What has Reagan to lose today by sticking to principle? It may sound strange, but Reagan can stand more political heat as president than he could as governor from a practical point of view. He has never shown any extraordinary concern for the overall welfare of his party. At his age, he can hardly be concerned about his political future. Reagan is probably not one of those politicians who views the presidency as a stepping stone.

ROSTRUM

Short letters are encouraged from readers on any aspect of state government and politics. Long letters will be edited to fit the available amount of space.

A sinister scene

Vic Pollard makes some fine points in his piece (*CJ*, February 1982) on reporters and lawmakers. The maturation of reporters out of the "saloon beat" is an important new development in statehouse politics, but one not without its downside. A good reporter is likely to find out much more about what the public ought to know over coffee or a beer with a legislator or lobbyist than can be obtained in weeks of vigilance on the Senate or Assembly floor

There are serious implications to the press becoming too removed from its best sources. At the least, it can lead to a pristine naivete. At worst, it may induce a tendency toward self-righteousness. Dan Walters says, "They're treating us like a political entity . . . that's a mistake." Does Walters believe the press is not a political entity? What about those protest letters from the newspapers' home offices to Roberti and local legislators about the seating plan? How is that different from political tactics employed by any special interest group?

While I suspect Walters' view may be common among the press, few political activists would agree. The reason these "saloon beat" syndromes were sinister was because the politicians knew that and reporters did not. Reporters may be out of the saloons these days, but that doesn't mean they're out of politics. To pretend otherwise can lead some reporters to set themselves apart from the fray or, in some cases, to unintentionally choose sides by concentrating on "the good guys," forgetting that the "good guys" usually have their agenda too, and it usually includes good media coverage of their views.

Thus, the paradox: By focusing too much on "what's right" or government reform and by ignoring the hard choices that must be made in the political arena, the press allows itself to become vulnerable to a latter day brand of manipulation that is every bit as sinister as in the days of the "saloon beat."

DANA L. SPITZER
West Coast director
of government affairs
Monsanto Company

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Pre-primary outlook:

The wild Senate race
Where the district action is
Curb's remarkable comeback

By ED SALZMAN

Supporters of state Senator John Garamendi have expressed displeasure with the priority the news media have chosen to give the contest for the United States Senate in California this year. After all, the Garamendi line goes, the individual elected to the Senate will be a junior member of a body of 100, and the man elected governor will be the chief executive of the nation's largest state.

While the point about the relative importance of the two offices is debatable, there is no question that the Garamendi-for-governor camp is right about the way the media have handled the two races this year. Garamendi wants the spotlight on the governor's race so that he can close the gap between himself and the leader, Mayor Tom Bradley of Los Angeles, in the contest for the Democratic nomination. But Garamendi is caught in a Catch 22 involving publicity and the polls. It takes high ratings in the polls to get the attention of the media, and it takes media attention to move up in the polls. And Garamendi does not have unlimited funds with which to buy television time in the pivotal Los Angeles market.

So the spotlight continues to shine on the Senate race — and for some valid reasons. First, the contest for governor is a rather simple affair, with Bradley seemingly assured of victory in the Democratic primary. (The Republican primary promises to get plenty of attention in the final weeks of the campaign because Lieutenant Governor Mike Curb achieved a major upset by pulling ahead of Attorney General George Deukmejian in a California Poll announced in early April.) Another reason: The Senate race is full of interesting characters and magic names. And there has been a fascinating scramble on the Republican side ever since it became apparent that the incumbent, S.I. Hayakawa, probably could not be re-elected.

The poll conducted by Mervyn Field showed that Governor Jerry Brown remains far ahead of the competition for the Democratic nomination for senator — even though he remains generally unpopular with the voters (as indicated by the showing that he would lose against the leading Republican contenders). Author Gore Vidal was adding spice to the campaign (and getting far more media notice than his standing deserved) but was getting only a small percentage of the vote.

It was on the Republican side that most of the interesting dynamics were taking place. Here is what was happening with the seven top contenders:

- **Congressman Barry Goldwater** remained the front runner, even though most of the other candidates were attacking him and he was getting a generally unfavorable press. Goldwater was openly being accused of being too much of a mental lightweight to handle the job. Yet his name identification remained strong, and he had a following among conservatives.
- **Mayor Pete Wilson** of San Diego appeared to be making steady progress and was running a vigorous campaign throughout the state. Trends in Field's polls indicated that Wilson could well be the leader by election day on June 8th. Wilson seemed to be making some progress with his theme that he is the one GOP candidate with a good chance of beating Jerry Brown in November.
- **Congressman Pete McCloskey** retained a strong following in the San Francisco Bay Area but was falling flat in his effort to woo Southern California Republicans. He dove into dangerous waters by taking the Arab line against the Israelis. McCloskey needed the other candidates to divide the southern vote rather evenly for him to have a chance at victory.
- **Maureen Reagan** seemed to be making a slight comeback in the polls but was still far to the rear of Goldwater, McCloskey and Wilson. Her father's precipitous drop in public popularity was hurting, even though her campaign had been an independent operation from the start.
- **Congressman Robert Dornan** was the biggest puzzle in the equation. His campaign was very late getting off the ground, and he had only 5 percent in the April Field poll. Yet he won a resounding endorsement from the conservative California Republican Assembly and was expected to unleash a flood of letters from the computers of Richard Viguerie. Dornan said his goal was either to win or make sure that Goldwater loses. The latter was more likely than the former, based on the number of candidates Dornan would have to pass on the way to the top.
- **State Senator John Schmitz** and former law school dean **Ted Bruinsma** were insignificant factors in the race, even though Schmitz was the recipient of a great deal of publicity — presumably adverse — as a result of his statements that were condemned by the Senate.

Commercials and the canal

While the Senate race captured the fancy of the media, it was the comeback in the polls by Mike Curb that provided one of the major surprises in this extraordinary election year. Curb had seen the Duke pass him by a large margin, and the flow of money changed dramatically toward the attorney general.

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How did Curb engineer his comeback, pulling 10 points ahead of Deukmejian in the early April poll?

There were probably two major factors that helped Curb rebound. The first was a television commercial blitz in Southern California, featuring pro-Curb messages from state Senator Ed Davis and former Sheriff Peter Pitchess of Los Angeles. These ads, designed to give Curb a favorable image on law and order and maturity, apparently worked. The second was Curb's opposition to the Peripheral Canal, a much more emotional issue in the north than in the south. His anti-canal stand may have helped him substantially among GOP voters in the north, while hardly hurting him in the south. Curb also may have been aided by his tougher-than-Deukmejian stand in favor of a campaign to recall Chief Justice Rose Bird.

Whatever the reason, the Curb rebound was spectacular and promised to bring the gubernatorial race more attention as the day of decision nears. But that won't help Garamendi much — unless he or Mario Obledo can kindle some interest in the Democratic primary.

In addition to the Curb-Deukmejian battle and the wild Senate race, here are the contests to watch on June 8th:

Statewide offices

Lieutenant governor — Former Assembly Speaker Leo McCarthy has been handed the Democratic nomination on a platter. Former Assembly Republican leader Carol Hallett is the favorite in the GOP primary, but state Senator Marz Garcia borrowed a bundle of money to give her strong competition.

Secretary of state — Incumbent March Fong Eu is facing three unknown opponents in the Democratic primary. Assemblyman Gordon Duffy of Hanford and 1978 nominee Jay Margosian are conducting active campaigns to win the GOP nomination.

Controller — This is one of the most interesting primary races of the year, with the action in the GOP competition to tackle incumbent Ken Cory. The Republican field includes two former statewide nominees, James Flournoy and James A. Ware; former state chairman Truman Campbell, former state Senator William E. Coombs and state Senator Ollie Speraw. Logic would make Speraw the favorite because of his financial resources, but Ware pulled an upset in 1978 against the logical leader, former Assemblyman Dixon Arnett.

Treasurer — With three political unknowns (including 1978 nominee Don French) running for the right to face him, Democratic incumbent Jesse Unruh should have to worry only about a strong GOP tide.

Attorney general — District Attorney John Van De Kamp of Los Angeles has a huge name identification advantage over his Democratic primary opponent, state Senator Omer Rains, and is the favorite to win in June. There is no such favorite in the Republican primary, pitting Assemblyman Dave Stirling of Whittier against George Nicholson of Sacramento. Nicholson has strong ties to the prosecutors' community, but Stirling hails from the Los Angeles area (even though he is almost unknown to the public at large). Most voters probably won't make up their minds on this race until the final few weeks.

Superintendent of public instruction — Incumbent Wilson Riles needs more than half the votes in this non-partisan race to avoid a November runoff. Four years ago, Riles polled 52 percent of the vote against a large field of nonentities. This time, he is faced with three active opponents — Richard Ferraro, member of the Los Angeles school board; Gene Prat, former aide to Senator S.I. Hayakawa, and Bill Honig, a member of the state Board of Education and superintendent of a small school district in Marin County. Riles is backed by the California Teachers Association, the AFL-CIO and other liberal leaders. But it would be a surprise if he could win on June 8th. The big question is which of the contenders will run off with him in November.

House of Representatives

District 6 — Supervisors Barbara Boxer of Marin County and Louise Renne of San Francisco are the leading contenders for the Democratic nomination in this district, which was drawn to order for Democrat John Burton. Boxer has the endorsement of Burton, who surprised everyone by announcing that he would not seek re-election. Republican Dennis McQuaid thinks he would have a better chance if Renne beats Boxer because he would have a better shot at someone from San Francisco than from his home county of Marin.

District 21 — The only question here is how Republican incumbent Bobbi Fiedler will adjust to a significantly different constituency. Her adaptability is being tested by Herb Cruse, who lives in the Ventura County part of the new district.

District 30 — There will be two elections in this district on the June ballot — one a special election to replace Democrat George Danielson, who has accepted a judgeship, and the other the regular election. The leading candidate in both elections is Assemblyman Marty Martinez, who has the benefit of help from the Waxman-Berman organization. But he has three active opponents in Olga Moreno, Rose Ochi and Dennis Kazarian. The winner of the special election will be able to run as the incumbent in November, when the Republicans will present a strong challenge with dislocated incumbent John Rousselot.

District 32 — Incumbent Democrat Glenn Anderson of Harbor City, a former lieutenant governor, has more than his quota of trouble this year. Councilman Edd Tuttle of Long Beach could give him plenty of opposition in the primary, and the November election won't be a breeze either.

District 33 — Two Republican incumbents, Wayne Grisham of La Mirada and Dave Dreier of Claremont, are going head to head. They were put into the same district because Representative Jerry Lewis chose to run in the district earmarked for Dreier. Privately, most Republican leaders would prefer Dreier over Grisham.

District 34 — The Democratic primary in this new district is a battle royal between Hispanic leader Este-

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ban Torres and former Congressman Jim Lloyd.

District 37 — This was the district earmarked for Lewis. With his decision to run elsewhere, candidates came from everywhere. The favorite has been veteran GOP Riverside County Supervisor Al McCandless of Palm Desert. But someone younger and more vigorous might be able to overtake him. There is also a large Democratic field, but the real battle is in the GOP primary because this is traditional Republican territory.

District 42 — Incumbent Republican Dan Lungren probably isn't in much trouble, but he has more than token opposition in Councilman Tom Heinsheimer of Rolling Hills.

District 43 — The decision by Republican Clair Burgener not to seek re-election brought out a flood of Republican candidates in his Orange-San Diego district. (See article on San Diego politics in this issue for an assessment of the race.)

District 44 — Phil Burton carved this Democratic district out of the heart of urban San Diego. It appeared that San Diego County Supervisor Jim Bates was going to win the seat handily, but then he became enmeshed with a challenge to his nomination papers. Bates is still favored over attorney Mike Aguirre.

State Senate

District 15 — Republicans Mary Ann Gutcher and J.F. Henry are waging a vigorous campaign to get a shot at veteran Democrat Walter Stiern in November. Gutcher is backed by Congressman Bill Thomas, and Henry has the support of Assemblyman Don Rogers.

District 20 — What was the political impact of state Senator Alan Robbins' trial (and acquittal) on sex charges? From the looks of the field against him, he withstood the adverse publicity very well. Yet, it will be interesting to see how many votes his two Democratic opponents get on June 8th. The Republicans are expecting Skip Michael, a Los Angeles detective, to give Robbins a mighty battle in November.

District 24 — East Los Angeles is the scene of the hottest Senate primary of the year. The combatants are incumbent Alex Garcia and Assemblyman Art Torres. Torres entered the race charging that Garcia has been ineffective. (There is also a not-so-quiet whispering campaign alleging that Garcia drinks too much.) Garcia has countered with a campaign spearheaded by the Cesar Chavez organization, which is upset at Torres for his support of Willie Brown instead of Howard Berman in the speakership contest. Torres has managed to neutralize the Berman-Waxman organization.

District 32 — There is a substantial Hispanic population in this new district, which could be won by either party. There are three strong Democratic candidates, Mayor Kathy Buchoz of Westminster, Councilman Al Serrato of Santa Ana, and Councilman Til Williams of Garden Grove. Councilman Gordon Bricken of Santa Ana and Ed Royce of Anaheim are the GOP favorites. The big question is how potent a force the Latino vote will be.

Assembly

District 2 — With incumbent Democrat Doug Bosco running for Congress, this district became a prime battleground. The Democratic primary is between Scott Keene, brother of Senator Barry Keene, and Dan Hauser, the mayor of Arcata. The Republicans expect Jerry Partain, a Humboldt professor, to be the GOP nominee. This is a large district and campaign talents are important.

District 6 — The incumbent, Democrat Leroy Greene, is running for the Senate. Councilman Lloyd Connelly of Sacramento should win the Democratic nomination handily. Two Republicans, school board member Stan Nielsen and a member of the Bill Richardson team, Bill Green, are competing for the uphill battle against Connelly in November.

District 10 — Republicans are climbing all over themselves to get a whack at the Democratic candidate, Sacramento Mayor Phil Isenberg, in November. This is a new, wishbone-shaped delta district created for Isenberg. Long-time GOP

Board of Equalization

With incumbents Bill Bennett, Richard Nevins and Ernie Dronenburg seeking re-election (and all likely to win), the only hot race is in the open 1st District. The two leading Democrats in the race to succeed veteran George Reilly are Conway Collis of Los Angeles, who has close ties to Alan Cranston and other party heavyweights, and John Shimmon of San Francisco, aide to Reilly. (Supervisor Quentin Kopp of San Francisco withdrew from the race after the deadline for filing.) The Republican leaders are Assemblyman Bill Ivers and former Covina Mayor Elaine Donaldson.

Candidate update

The following names should be added to the list of candidates published in last month's *Journal:*

Governor — Allen Lee Seaman (D), Bill Clark (R), Elizabeth Martinez (P&F).

Lieutenant governor — Bob Smith (D), Houston A. Myers (AIP), Clyde Kuhn (P&F), B.J. Wagener (Lib).

Secretary of state — Alfred Smith (AIP).

Controller — Pat Graham (AIP), Florence McDonald (P&F).

Treasurer — Kent Lloyd (R), Robert Charlton (AIP).

Superintendent of public instruction (non-partisan) — Myron Lieberman, Georgia Marshall, Daniel Nusbaum.

U.S. senator — William Pemberton (R).

Board of Equalization — 1st district, Wayne R. Nygren (Lib); 3rd district, Wendall Kuykendall (R); 4th district, Julian Lawler (D).

House of Representatives — 6th district, Timothy Allen Albertson (P&F), Howard Creighton (Lib); 7th district, Terry Wells (AIP), Rich Newell (Lib); 8th district, Tertius Chandler (R); 10th district, John Jarrett (R); 11th district, Chuck Olson (Lib); 16th district, Gary Arnold (R); 18th district, Marshall Fritz (Lib); 19th district, Charles Zekan (P&F); 21st district, Daniel Wiener (Lib); 33rd district, Franklin Phillips (Lib); 38th district, Mel Connley (R), Anita Barr (Lib).

Assembly — 4th district, Mark Moburg (Lib); 10th district, Joshua Pane (R); 16th district, Gordon Bloyer (R); 19th district, Mark Pickens (Lib); 24th district, Alice Agogino (Lib); 59th district, Mike Duffy (D).

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worker Ingrid Azvedo has some organizational backing, but she cannot take anything for granted. She could be beaten by any of several candidates, including Bill Cecil, who ran against Democrat Tom Hannigan two years ago; Aggie James, a long-time Capitol hand with good political connections, and Walter Powers, a one-time Democratic assemblyman.

District 12 — Liberal Democrat Tom Bates of Oakland is being given a stiff test by Tom Dove, a deputy attorney general, in the Democratic primary.

District 14 — Democratic incumbent Bill Lockyer is running for the Senate, and three Democrats are competing for his seat. Lockyer expects Councilman Johan Klehs of San Leandro to replace him.

District 18 — Incumbent Alister McAlister might have been hurt by his abortive effort to obtain a judgeship in far-off Placer County. McAlister now claims he lives in Fremont, not San Jose or Placer County. Will domicile difficulties create an opening for Mayor Primo McHugh of Milpitas?

District 25 — The Republicans settled on former Monterey County Supervisor Ed Norris in this new district, which runs from San Jose to Salinas. The Democrats are divided, partly on geographical grounds. Will the Monterey or Santa Clara portions of the district be dominant? Among the active candidates are Councilman Jerry Estruth of San Jose, Councilman Joe Sveinsson of Gonzales and Robert Infelise of Gilroy who figures to be the beneficiary of a potentially large Hispanic vote.

District 31 — Democrat Rick Lehman is running for Congress. The Republicans have high hopes for Joanne Slinkard, aide to Senator Ken Maddy. Probable Democratic nominee is Supervisor Bruce Bronzan of Fresno County.

District 32 — With veteran Republican Gordon Duffy retiring, the Republicans think that long-time hopeful Bill Jones might finally make it to the Legislature by defeating two opponents in June. But the Democrats have a strong nominee in Supervisor Clyde Gould of Exeter. The district now favors a Republican.

District 36 — The Republicans should hold this district, now represented by Senate-candidate Charles Imbrecht. But will the nominee come from Ventura County (Tsujio Kato, mayor of Oxnard) or from Los Angeles (Tom McClintock of Thousand Oaks, backed by Ed Davis)? The Democrats have a well-known candidate in former Mayor Harriet Kosmo Henson of Ventura. (Henson's husband, Burt, once represented the district in the Assembly.)

District 44 — A great deal of attention will be centered on this race because one of the candidates is Tom Hayden. His main opponent in the Democratic primary is Steve Saltzman, aide to mayor Tom Bradley. (Hayden was hurt by the withdrawal of another Democrat, attorney Alan Katz.) If Hayden wins, the Republicans will probably put plenty of money behind the nominee (whoever that may be) in an effort to steal a seat in a Democratic area. If Saltzman wins the primary, the GOP will ignore the district.

District 45 — Incumbent Hershel Rosenthal is headed for the Senate, and the leading contender to succeed him is Burt Margolin, who is part of the Berman-Waxman operation. His leading opponent is Wallace Albertson, former president of the California Democratic Council and a school board member.

District 51 — Republican incumbents Marilyn Ryan and Gerald Felando were thrown into the same district. Ryan comes from the area where the Republicans live, and Felando will have to do a hatchet job on her in order to win. Ryan is favored, but nobody can count an aggressive campaigner like Felando out. If he could beat an entrenched Democrat (the late Vincent Thomas), why not a popular Republican?

District 52 — Incumbent Republican Dave Stirling is running for attorney general, and five Republicans are running to succeed him. No clear pattern has yet developed in the race. The Democratic primary is usually irrelevant in this area.

District 56 — Two well-connected Democrats, Gloria Molina and Richard Polanco, are fighting to replace Art Torres, who is running for the Senate. Molina probably has the early edge.

District 59 — With incumbent Democrat Marty Martinez running for Congress after only one term in the Assembly, a large field has formed in the Democratic primary. If the Hispanic community is divided among Charles Calderon, Richard Tafoya and Louise Davis, will Monty Manibog or Mike Duffy be able to win the primary? Duffy is an aide to state Senator Joe Montoya. Davis, Manibog and Tafoya are council members. This district has a history of primary turmoil.

District 68 — Democrat Walter Ingalls decided not to seek re-election in this large Riverside County district, which could be won by either party. The Republican primary has a strong field, including Judy Field, who has excellent connections, and John Stanton, who ran an aggressive Senate race four years ago. The Democratic primary has no single outstanding contender in a field of five.

District 69 — Republican incumbent Nolan Frizzelle is getting a primary challenge from Councilman David Sills of Irvine. The district has been rather unstable in the past decade.

District 75 — Former Mayor Richard Roe of Del Mar might be headed for the Assembly — if the district weren't so Republican. There are three strong candidates in the GOP primary, and any one of the three will have a big advantage over Roe in November.

District 78 — Democrat Larry Kapiloff decided not to seek another term, and the Democratic nominee is likely to be Deputy Mayor Lucy Killea of San Diego. The GOP nominee, advertising man Jerry Baker, will be no pushover.

District 80 — The state's Mexican-border district has been represented by Democrat Wadie P. Deddeh for many years. Now Deddeh is headed for the state Senate, and both parties are hungry for the seat. There are large fields in both primaries, and the primaries will be won or lost in the final weeks of campaigning because none of the candidates is well known throughout the district.

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The San Diego (political) zoo

By DONALD H. HARRISON

Politics is becoming one of San Diego County's biggest growth industries. Fueled by reapportionment, retirements and San Diego Mayor Pete Wilson's race for the Republican senatorial nomination, herds of candidates either are running for office or plotting to soon.

Wilson, now in his 11th year as mayor, is the subject of the greatest political speculation, win or lose. "Can he pull it off and put San Diego on the state's political map?" That is one of the most frequently heard questions in San Diego political circles. Another is: "If he loses, will Wilson stay in office until 1984, or will he resign prior to the end of his term, perhaps to take a job with the Reagan Administration or a position in private industry?"

Just in case Wilson should win or retire, major San Diego area Republican politicians like Supervisor Roger Hedgecock, Police Chief Bill Kolender and City Councilman Bill Cleator are preparing to run for mayor. So is former City Councilwoman Maureen O'Connor, a Democrat who has kept in public view as an appointed member of the San Diego Unified Port District Board and the Metropolitan Transit Development Board. (The latter is the agency which operates San Diego's new trolley system.)

Others also are signalling their intention to enter the mayoral fray. They include City Councilman Mike Gotch, a Democrat, and Democratic Assemblyman Larry Kapiloff of San Diego. Kapiloff announced his interest at the same time he announced his retirement from the Legislature this year after five terms in office. Now that he has received a judgeship, he is probably out of the running.

So far Wilson has kept mum about his post-election intentions. That is proper for a candidate who cannot appear to concede the possibility of losing in the U.S. Senate race. Wilson's staff members say they are unable to read his intentions should the senatorial campaign be unsuccessful.

Donald H. Harrison is a free-lance political writer in San Diego.

Now in his third term as San Diego's mayor, Wilson strikes insiders as a man chafing for new challenges. He might be willing to relinquish the mayoralty once it no longer is needed as a title to identify him to statewide voters.

No controller candidates

San Diego County's brief hopes to field three strong candidates for state controller collapsed prior to the close of filing. First Jack Ford, son of former President Gerald R. Ford, folded up his exploratory committee and announced he would prefer private business to running in a GOP primary for controller. Then Ernest Dronenburg Jr., chairman of the State Board of Equalization, also pulled out of the GOP controller's race, citing family reasons for his decision to run instead for re-election. A day or so later, Democratic incumbent Ken Cory announced he would run for re-election. That dashed the possible candidacy of another San Diegan, Democratic state Senator James R. Mills who is retiring after 20 years' service in the Legislature, half of it as Senate president pro tempore.

While the retirements of Kapiloff and Mills from the state Legislature both created political shock waves, neither compares with the absolutely wild contest in the 43rd Congressional District to succeed Republican Congressman Clair W. Burgener of La Jolla. Burgener is retiring this year after five terms.

The heavily Republican district drew 18 Republican and three Democratic entrants in the June 8th primary. The popular wisdom holds that winning the Republican nomination in that district is tantamount to election. Composed of the coastal portions of northern San Diego County and southern Orange County, the district has roughly 70 percent of its population in San Diego County. With candidates evenly divided between the two counties, that ordinarily would favor a San Diego County resident for election.

Although no candidate is well known enough in the district to be a clear front-runner, three Orange County residents are among the eight candidates seen as clearly in the front ranks. The three are Lawrene Nixon Anfinson, niece of former President Richard Nixon; Mary Schmitz, wife of

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state Senator John Schmitz (who is a Republican hopeful in the U.S. Senate race), and Johnnie Crean, a little known recreational-vehicle dealer. Crean scares other candidates in the race because he reportedly raised several hundred thousand dollars at a fund-raising party (featuring comedian Milton Berle) miles away from the district in Los Angeles.

The big five in San Diego County are Ron Packard, mayor of Carlsbad; Jim Rady, an Escondido city councilman who has been endorsed by Burgener; Stan Legro, an attorney who formerly was deputy administrator of the Environmental Protection Agency under President Ford; Dr. Bill McColl, a Carlsbad orthopedic surgeon who formerly was a Chicago Bears football star; and Deborah Szekely, the wealthy and politically well-connected owner of the Golden Door and Rancho La Puerta, famed as celebrity health spas.

Although Republicans in San Diego loyally participated in gathering the signatures required to put the reapportionment referenda on the June ballot, few actually were upset by the redistricting in San Diego County. In fact, most were privately ecstatic. This was particulary true in the realignment of congressional boundaries necessary to accommodate a new congressional district in growing San Diego County.

Two freshmen Republican congressmen from San Diego — Bill Lowery and Duncan Hunter — had the Republican registrations in their districts enriched by the boundary shifting, while the new district was tailor-made for a Democrat. Hunter, who upset veteran Democrat Lionel Van Deerlin in 1980, now is heavily favored for re-election. So is Lowery, who bested former Democratic state Senator Bob Wilson in 1980 in a hard-fought contest.

County Supervisor Jim Bates, a Democrat, started as the heavy favorite in the new 44th Congressional District, but was bloodied in the early rounds of the campaign after primary opponent Mike Aguirre charged that Bates had perjured himself when he signed a statement that he personally had witnessed all the signatures on his nominating papers. With heavy coverage and editorial backing from *The San Diego Union*, Aguirre called for Bates to be dropped from the ballot, but a Superior Court judge ruled that the electorate, not the courts, should decide Bates' election fate. The brouhaha in the Democratic ranks encouraged former San Diego Charger and USC Heisman Trophy winner Mike Garrett to announce himself as a write-in Republican candidate in that district. Shirley Gissendanner, a bus driver and former aide to Congressman Hunter, is the only Republican who will be listed on the ballot in that contest.

In area legislative races, no change in the partisan lineup is expected in the state Senate. Republican Bill Craven is considered an easy bet for re-election in the 38th District, and Assemblyman Wadie P. Deddeh is the overwhelming favorite to succeed Mills in the 40th state Senate District race.

In the Assembly, however, only three races are considered sure bets. The 74th and 77th Assembly Districts are represented by Republican Assembly members Bob Frazee and Larry Stirling, respectively. Both men found themselves without opposition from any party. In the 79th Assembly District, Democratic Assemblyman Peter Chacon adroitly had the district lines drawn to exclude his most promising rivals and, as a result, drew only nominal opposition from the Republicans.

The 75th and 76th District races essentially are in new districts resulting from reapportionment. The 75th is Republican in registration but it is also coastal and environmentalist, so a Democrat could be considered a possible winner. That Democrat is Richard Roe, a former mayor of Del Mar, who is unopposed for his party's nomination. Fighting to oppose him in the 75th are a strong trio of GOP candidates: Imperial Beach Mayor Brian Bilbray; attorney Stephen Kane, who is the brother-in-law of Congressman Hunter, and Sunny Mojonnier, a flower grower with strong backing from GOP volunteers and agricultural interests.

For all practical purposes, the 76th District race will be settled in the GOP primary contest, with most interest focusing on the rivalry for the nomination between Escondido Mayor Ron Bittner and Escondido Councilman Art Dannell. It is possible that the rivalry could benefit two lesser-known candidates in the race, businessman Bill Bradley and former U.S. Magistrate Elmer Enstrom. Only one Democrat bothered to file for the seat, Barbara Van de Water. (One sidelight of the 76th District race: With two Escondido candidates, plus congressional hopeful Jim Rady, three of the five members of the Escondido City Council are running for higher office.

San Diego City Councilwoman Lucy Killea is rated a shoo-in in the Democratic contest in the 78th Assembly District to succeed Kapiloff. But she will face far tougher opposition in the general election from advertising man Jerry Baker, behind whom Republicans appear to be consolidating a good fund-raising campaign.

The 80th Assembly District, which Deddeh is vacating to run for state Senate, drew six Democrats and four Republicans, with Democrats favored to retain the seat. Among the better-known Democratic candidates are Steve Peace, former administrative assistant to Larry Kapiloff; Southwestern College Trustee Jerry Griffith, and Fernando Sanga, an Imperial County Democratic party chief.

Also of considerable interest in San Diego County is the race to succeed Bates as a county supervisor. San Diego City Councilman Leon Williams is the favorite to become San Diego County's first black supervisor. He is opposed by Stanwood Johnson, a planning commissioner and local spokesman for the Moral Majority.

The race for the San Diego Democratic County Committee, ordinarily attracting zero publicity, has been arousing unusual interest this year. The Ku Klux Klan's grand dragon, Tom Metzger, and at least three other "Klandidates" are seeking election to the body that cast Metzger out after he won the Democratic nomination in 1980 in the 43rd Congressional District. Besides running for the county committee, Metzger also has filed in the Democratic race for the U.S. Senate, in which his candidacy is not taken seriously except for the propaganda value it has for the Klan.

Water, Water — Everywhere?

The next television program in the California Journal Report series reviews the history of water policy in California and examines the agricultural viewpoint as well as the unusual alliances created around the Peripheral Canal controversy on the June ballot. Programs are scheduled as follows:

San Francisco	KQED-9	Mon.	May 31, 11 p.m.
Sacramento	KTXL-40	Sun.	May 16, 7:30 p.m.
Sacramento	KVIE-6	Thurs.	May 20, 9:30 p.m.
		Sat.	May 22, 6:30 p.m.
San Diego	KPBS-15	Fri.	May 7, 11 p.m.
		Sat.	May 8, 4 p.m.
Los Angeles	KCET-28	Wed.	June 2, 10:30 p.m.
San Jose	KTEH-54	Sun.	May 9, 3:30 p.m.
Huntington Beach	KOCE-50	Wed.	May 19, 10 p.m.

Check local PBS listings for Fresno, Eureka, Redding, San Bernardino and San Mateo.

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California's most outrageous politician: Is it LA Councilman Art Snyder?

By MICHELE WILLENS

"I'm a home boy and I deliver."

That is the way Los Angeles City Councilman Arthur Snyder explains how a controversial, red-haired, blue-eyed Irishman has managed to get elected four times in a district that is at least 75 percent Hispanic.

The 14th councilmanic district — including East LA areas like El Sereno, Boyle Heights, Lincoln Heights and Eagle Rock — contains roughly 200,000 legal residents and possibly 50,000 more illegals. It has always seemed a prime area from which Chicanos could elect one of their own to the City Council, and there have been some brief, unsuccessful attempts in the past.

But Art Snyder, 49 — a rare species as a registered Independent in elected office — has proved invincible. This is amazing not only because he is a non-Hispanic but also because his career has been spiced with outrageous behavior that is just this side of legal.

"He is a man who is always on the edge," says one council aide. "Other politicians get close to anything even slightly illegal or unethical and pull back. But Snyder seems to delight in standing right on the ledge, peering over, daring the odds."

He may be the most paradoxical of California politicians. On one hand, he has been highly effective in representing his district and giving East Los Angeles a sense of community. But he seems almost oblivious to the distinction between proper and improper conduct, or to what might be perceived as such.

"He is one of the brightest guys in City Hall," says a former colleague on the council. "He is extremely efficient and delivers for his constituents. He knows better than anyone how to find money in the right places for grants for projects in his area. He's a smart enough guy that he doesn't have to do what he does that always gets him in trouble. He doesn't need to walk on thin ice. I group him with Alan Robbins, in that they're both very bright but they have either this thrill of risk or a loose screw."

The Snyderisms have been numerous and, in his view, they have been exaggerated by the media — particularly, says Snyder, by the *Los Angeles Times*. Some examples:

- In 1980, Snyder ended up pleading no contest to a drunk driving charge following a highly publicized trial in which television cameras moved inside a local courtroom for the first time. The trial ended in a hung jury. Snyder had eight traffic accidents, mostly minor, in eight years.
- A few years earlier, his second wife (he's now married a third time) charged him with assault and battery. She lost few opportunities to tell about all the "kinky" things her husband was into. "No one knows how the thing with my ex-wife ended," Snyder says, "because the *Times* never printed that. I went down and took a lie detector test and, in the end, was never charged. As for the drunk driving trial, it was blown way out of proportion. I won't say there haven't been times I should have been stopped — but that wasn't one of them." (Snyder claimed that he failed the sobriety tests because of a concussion.)
- Snyder's financial and political habits have often created controversy. The Fair Political Practices Commission is still investigating him for a number of possible conflict-of-interest violations. Other inquiries have disclosed that he failed to report thousands of dollars in rental income which he received from a community organization at the same time that he was voting to award the organization millions of dollars in federal grants.
- The Los Angeles district attorney's office is looking into an unusual arrangement whereby Snyder loaned his campaign war chest of $300,000 (at 24 percent interest) to a couple for a real estate purchase in Malibu. Snyder claims the interest earned from the loan goes into a separate bank account where he has been depositing interest on campaign funds for three years. He insists that the money in the account will be used strictly for political purposes.
- Snyder was removed from his chairmanship of the Council's Planning Committee, and from membership on a regional Coastal Commission when it was reported that he had used both posts to raise campaign contributions from people who also happened to be seeking building permits.

"I've got to be the most investigated guy in the state," Snyder says. "And, much to the dismay of my enemies, I've never been found guilty of anything." He is convinced he was removed from those posts as a result of a conspiracy between then-Council President John Ferraro and the *Los Angeles Times*.

"It was entirely political on John's part and very unfair. At that time, don't forget, John and I were considered leaders in a potential mayor's race." (Neither ran when Tom Bradley ran a third time.) "And the *Times*, which is very close to John, went along with it with so much non-stop publicity (that) he finally had to do something."

The *Times* City-County Bureau Chief Bill Boyarsky says flatly, "We've covered Snyder like we have covered every local official. We've investigated the financial contributions of a number of council candidates and even the mayor. He (Snyder) is not treated any differently."

Who's coming to dinner?

At times, Snyder appears to invite trouble. A few years ago he held a series of small, $500-a-plate dinners in his home. The initial invitations abounded with temptation: "The series of dinners will be a gourmet spectacular," they read. "Every evening will be an array of masterpieces of the culinary arts. Superb beverages have been selected to match each type of cuisine. Each evening will be an exciting event. Every night will be fantastic!" Most of the invitations went to builders, including some who had — or could have — dealings with Snyder's various council committees.

"The invitations went out to every builder in Southern California," Snyder explains. "So, on the list, of course,

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there were people who built in the coastal zone. Among those, of course, some may have applied for permits. The question is: Is it fair to say I only mailed to those people?"

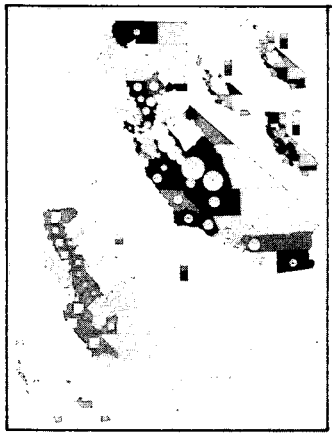
Early this year, Snyder formed a law practice and promptly mailed 175,000 letters announcing the new firm's existence. A number went to cable companies seeking or operating franchises in Los Angeles. Snyder happens to be chairman of the City Council committee overseeing cable TV issues.

"I guess a person could distort this to make it something big," Snyder concedes. "The point is, I sent a letter to 175,000 people in my file. I didn't reflect on the fact that there might be people in there in cable TV. No one said it was the wrong thing to do. The bottom line is, will I accept work from people in cable? And the answer is, of course not."

Back in 1976, a Snyder statement said, "I gave up law to avoid even the possibility of the conflict of interest." Why the change of policy now? "First of all," he says, "I don't think I ever said I *wouldn't* do this. When I was 12 years old, I decided I wanted to be a lawyer and I worked my way through high school and college. I entered city government, I thought, as a temporary detour. So all these years I've been frustrated to be away from law. When the council cut back to meeting three days a week, I decided this was a chance to finally get that monkey off my back."

In addition to the mass mailing, Snyder launched his new law practice with 20 billboards around the city which read, "Arthur K. Snyder, Attorney at Law. All Legal Problems call 628-8889." The man whose name is coupled with Snyder's at the downtown law office (although in small letters on the billboards) admits to mixed feelings about the firm's

Three types of books from the California Journal Press



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Jerry Brown: High Priest and Low Politician, by Ed Salzman, 1977, with cartoons and photos. Price: **$4.19.**

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California Public Administration, by T. Anthony Quinn and Ed Salzman, a look at the inner workings of California government with emphasis on how decisions are made in all segments of state government. Price: **$5.25.**

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initial promotion. "I see no objections to billboards," says Leon Kirakosian, "and I really have no idea what he did with those letters. They're all his own public relations thing. I wouldn't have done it that way, but I guess he had to get his name out there.

"People aren't busting our doors down, so I don't know if they (promotions) have worked. Art doesn't have a track record in the legal profession, and he has a lot of notoriety from his political and personal life. So he'll have to earn a reputation here. So far, he's not very active in the practice, and I'm basically here minding the store for him."

There is some dissatisfaction with Art Snyder the councilman, but most observers admit that he has done a good job for East LA. Two recall efforts, one in 1974 and another in 1976, were beaten back easily. Both drives were led by Hispanic activists who felt the district needed Hispanic representation and that Snyder might be vulnerable.

"Those efforts were led by a few self-appointed messiahs who feel the community needs saving," Snyder says. "But they badly misread the community which doesn't want to be saved and is very happy with what they're getting."

Art Costello, an aide to Mayor Bradley, agrees. "The people in his district don't care about his personal problems or his color, as long as the trees are trimmed and the streets cleaned," Costello says. "They are more tolerant than the people in most districts because he has given them personalized service and they see results."

The tangible results include a long list of recreational facilities including senior citizen centers, sports centers, parks and what Snyder boasts is "the most beautiful swimming pool in the whole city." But that pool represents still another Snyder controversy. Soon after the Olympic-sized facility was built at Roosevelt High School, a major crack was discovered. According to at least one community leader, the councilman hasn't followed through.

"The pool has been closed since it was built — a total fiasco," complains Father Pedro Villarroya. He is a leading member of the 93,000-family East LA group called UNO. "Meanwhile, two blocks from there, there used to be another pool at Evergreen Park. "*That* pool was closed when Roosevelt's opened, and pretty soon it was vandalized and ruined to the point it can't be put back into service. His (Snyder's) office keeps saying they're trying to get the situation fixed. But all I know is the people of East LA have gone two summers without a pool."

A question of pride

In most cases, though, Snyder has managed to take care of business in his district and make himself available to voters. "If someone complains to him about a tree in front of the house, it will be gone in the afternoon," says a leader of The East Los Angeles Community Union. "It is why he keeps getting away with questionable, if not quite illegal, things. I think maybe he could be beaten in the district but only by a major hitter — someone with heavy support behind him and at least $350 000. But most people feel it is not worth it and better to wait him out."

Snyder was unopposed in his last election, but there seems to be some movement among Hispanics who feel 1983 might be the year to replace him. They believe the flak over his new law firm has hurt Snyder and that Hispanic pride has increased.

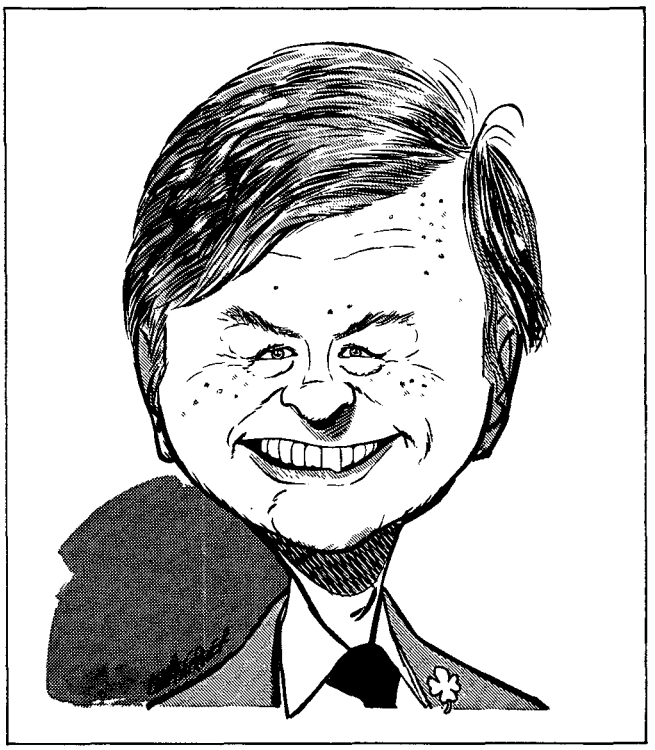
"I do feel his image has been tarnished," says UNO President Lydia Lopez. "I hear a lot more people in the district asking about his personal activities and saying they are ready for someone to take Snyder on."

Assemblyman Art Torres isn't so sure. "I think the people there are happy with Snyder," he says. "And yet I agree they'd like to have a Hispanic councilman, if for no other reason than to have a role model."

Snyder responds with the obvious. "I can't change the color of my skin or my eyes," he says. "If they want a good councilman, they've got one. If they want a good Mexican, they don't. I'm from the neighborhood, and that means a good deal to the community."

Despite the negative publicity and growing Chicano consciousness, Snyder says he intends to run for one more term in 1983. There are already several Hispanics considering a challenge. "I personally would not have a problem going one-on-one with Snyder," says Mayor Bradley aide Al Juarez who has formed an exploratory committee. "I do feel there has been a debilitation of his image. And the Hispanics of the area are feeling a sense of embarrassment about not having one of their own." Juarez concedes, however, that he would be more likely to run next year if Snyder chooses not to.

So the state's most heavily Hispanic area may face a turning point next year. Can it organize behind one candidate? "They are making a fundamental error if every four years they come in, when they don't really know the community as well as I do or particularly care about it," says Snyder.



The other key question: Has Snyder walked the edge of controversy too many times? He admits that he can't pursue his dream of being mayor right now, but he thinks that, with a few good years of steady behavior, his prospects will improve. Snyder shrugs off charges of self-destructive tendencies and prefers to characterize his style as one reflecting a zest for life and independence.

"Occasionally, I look hard at myself and wonder why I keep doing these things," he says. "I'm a person of great enthusiasms and I tend to follow them — sometimes without carefully examining what people might say. But better to charge ahead in life than to stand still. To hell with what people say. I feel like what Frank Sinatra says: 'I did it my way.' I'm a target for controversy and I always have been. After a while you learn to live with it. Maybe you even learn to like it."

It is unlikely that Snyder will ever be thrown out of office for ignoring his district. Perhaps the leaders of the Hispanic community can organize effectively to beat him. Or perhaps Snyder will save them the work by beating himself first.

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David Epstein Esq., guru of 'unclaimed property'

By ROBERT S. FAIRBANKS

Most people don't know it, but a unique form of lottery is being conducted these days in the United States. No tickets are sold and there are no entry requirements. But unexpected bundles of cash are being delivered nonetheless to thousands of surprised and grateful recipients around the nation.

If you don't believe it, ask Richard Cloutman, a grocery clerk of Marblehead, Massachusetts, who recently collected $1,568.80; or Karl Rolvag, a former governor of Minnesota who got $1,993.25; or Diane Smith, a school teacher of Fullerton, California, who received $1,028. And to think it all began in California, thanks to the artful doings of a Los Angeles lawyer named Epstein and his friend the governor, Jerry Brown.

EPSTEIN

The story began in 1974 when Brown, then California's secretary of state, was making his first run for governor. His Republican opponent was a decently bland fellow named Houston I. Flournoy, the state controller. Brown — like any good candidate — had hired a researcher to poke through Flournoy's record and see what, if anything, might have gone wrong. The researcher was David J. Epstein, a bright, inquisitive attorney, then 35 years old. What Epstein discovered was something called "unclaimed property," a phrase that covers the surprisingly large amounts of money that people unknowingly leave behind themselves in the form of forgotten bank accounts, unclaimed or uncashed paychecks, unused credits in charge accounts, forgotten utility deposits and so on. Estimates are that Americans forget assets at the rate of $1 billion a year.

What intrigued Epstein was not just the existence of all this money, but its fate. Most of it, he learned, was being routinely taken by the banks and other businesses that found it in their possession. However, according to principles of law that go back to medieval times, the money was not theirs. It continued to belong to its original owners or their heirs. State governments were supposed to retrieve the forgotten cash and return it to the owners, but few states made the required effort. As a result, the bankers and others were pocketing the bonanza. And, praise be to Providence, they were doing it in California as well. In this state, the controller's office (Flournoy!) was supposed to seek and return the forgotten funds but was failing to do the job. Indeed, as Epstein was pleased to learn, the attorney general's office, responding to isolated complaints, had just completed an informal survey of California banks and learned that the bankers were quietly snatching up thousands of forgotten accounts every year. But having made this discovery, the Brown forces were not so foolish as to call a news conference and display it to the world. For that would cheapen their information. Any accusations that Brown might make against Flournoy would become "political charges," a form of statement that ranks with soap commercials for believability. No, better to pass a few facts quietly to some prominent newspaper and let nature take its course. Thus, on August 19th, 1974, the *Los Angeles Times* — having retraced Epstein's steps and then some — carried a lengthy story to the effect that California banks were taking millions of dollars annually from forgetful or misinformed customers and that Flournoy was doing little or nothing about it.

Despite Brown's hopes, the *Times*' story and subsequent accounts lacked the ingredients for a major scandal. The issue was unfamiliar, the details were legally complex and — most important — there was no evidence that Flournoy himself or anyone in his office was profiting from the bankers' bonanza. True, Flournoy was a sinner; but he was not alone. Equally guilty were his predecessors and all the others who had been allowing the system to continue for so long.

Brown made good use of the issue nonetheless, frequently citing the news accounts and viewing with alarm. Clearly, unclaimed property contributed to his election success, but the major effect of Brown's actions went beyond the campaign. By generating the unclaimed property issue, Brown drew attention to the fact that banks and others were taking money that belonged to their customers, and he showed that a politician could profit by trying to do something about it. Or, as with Flournoy, he showed that a politician could be hurt by doing nothing at all.

It can't be said that the message from Brown's campaign zoomed across the nation, striking hope or fear into the hearts of candidates and officeholders everywhere. But the word went forth, and slowly over the next few years reforms began to occur. As a result, more and more states are going after unclaimed property and returning it to its rightful owners, who — like lottery winners — are being surprised by the unexpected delivery of cash.

Robert S. Fairbanks is a Capitol reporter for the Los Angeles Times.

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Who says all this is true? Meet the nationally recognized expert on the subject of unclaimed property: none other than Brown's old researcher, lawyer Epstein. Working now from a handsome office in Century City, Epstein is an unclaimed property consultant to more than a dozen states and serves as counsel to the National Association of Unclaimed Property Administrators. When a congressional committee conducted hearings on the unclaimed property issue about 18 months ago, Epstein was the lead witness. Epstein had not expected to make a career of reforming the nation's unclaimed property system. But he saw the potential for national reform back in 1974 and when offered a chance to start pushing the bandwagon, he took it.

The chance came from Flournoy's successor as state controller, Democrat Ken Cory. Cory, of course, had seen Brown's attack on Flournoy and knew that now — if only to protect himself — something had to be done. Moreover, he had almost lost an unclaimed bank account of his own a year or so before and was more than willing to tackle the issue. What better person to hire as a consultant than Epstein, who was already knowledgeable in the field?

Essentially, Epstein designed new accounting procedures, threatened a few lawsuits and otherwise sharpened the controller's system for retrieving forgotten funds. Within about 18 months, California collections of unclaimed property jumped from about $4 million annually under Flournoy to nearly $16 million.

Meanwhile, as news of the California experience spread, Epstein began receiving inquiring phone calls from officials in other states. What he told them was that there is political and economic profit to be had from unclaimed property. When an owner or heir is found, the politician gets the applause. If neither can be located, the state treasury (instead of the bank or business) keeps the funds. And if the caller needed help in setting up a collection system in his or her state, consultant Epstein, for a modest fee, would be happy to oblige.

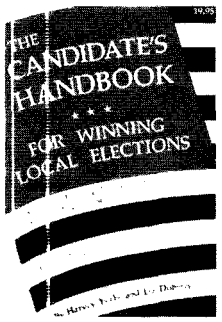
No one knows how much unclaimed property is being held by the nation's businesses. But Epstein estimates that the total may run to $15 billion (about $67 for every man, woman and child in the United States) and that it is growing at the rate of $1 billion a year.

Conversion on camera

Not surprisingly, some people find it hard to believe that so many other people can lose track of so much cash. But not many skeptics are converted, as was Sarah-Ann Shaw, right on the evening news. Shaw, a reporter for WBZ-TV in Boston, had been assigned to do a story about the unclaimed property reform efforts of Massachusetts State Treasurer Robert Q. Crane (an Epstein client). Full of doubts that anyone could, for instance, forget a bank account, she allowed her own name to be fed into Crane's computer to show the camera how an inquiry is made. Within seconds she became a believer. For there, on the computer screen, was the fact that she was entitled to $82 from a bank account that her own father had forgotten several years before his death.

However, most people are unaware of unclaimed property programs until they themselves unexpectedly receive some cash. So it was with Cloutman, the grocery clerk from Marblehead, Massachusetts. His mother died in 1969, leaving debts to be paid with money from the sale of her home. But, he says, the lawyer who handled the transactions never told him that there was a surplus and that it had been left in a Boston bank. Thanks to Crane's program, the money was returned.

State Treasurer Jim Lord of Minnesota (another Epstein client) turned up the $1,993.25 belonging to former Governor Rolvag. It seems Rolvag had purchased a 25-year endowment policy from the George Washington Insurance Company in 1942 but failed to collect when the money was due him in 1967. "I was governor then, and I was used to having things done for me. I just never followed up on it," he explains.



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Forgotten wages also figure prominently in the unclaimed property reform. For instance, Kenneth Tesch, a security guard from New Berlin, Wisconsin, received a paycheck for $194 some 10 years ago and never cashed it. His best guess is that he lost the check and then forgot that he ever had it. In any case, Tesch's employer, American Motors, was keeping the money until the Wisconsin state treasurer (a client of you-know-who) came along.

California being California, its unclaimed property program regularly features an abundance of celebrities and stars. Within recent months, for instance, Controller Cory has recovered from just two employers — Universal Studios and NBC — unclaimed wages and payments for Sean Connery ($138.87), Vincent Price ($125.98), Bill Cosby, ($40.97), Liberace ($1,000), Robert Vaughn ($177.22) and Joe Frazier ($144).

But Cory's program benefits ordinary mortals as well, one of whom is Diane Smith of Fullerton. A teacher of the deaf, she had opened a savings account at the Crocker Citizens Bank of Van Nuys in 1971 just before starting graduate school. Once in school, she forgot the account. "Those were real carefree days," she says. "I just wasn't balancing the books." In any case, her savings with interest ($1,028) have been returned.

According to Epstein, various audits indicate that banks hold about 60 percent of all unclaimed property. Moreover, he says, they have developed a device over the years that enables them not only to hold and use the money but eventually to claim it as their own. Known as a "service charge," the device allows bankers to nibble down unclaimed accounts before they must be transferred to the state. Often, the nibbling is done so well that there is nothing left to transfer.

Essentially, what happens is this: State laws generally define unclaimed accounts as those that have shown no customer activity (deposits, withdrawals, etc.) for some specific period, usually seven years. But long before the period ends, usually after the first year of inactivity, the bank begins subtracting a monthly service charge from the account. Frequently, the bank also stops paying interest into the account. Thus, when the time comes for a transfer to the state so that officials may begin looking for the owner, there is often nothing left.

Although service charges were as widely used in California as they were anywhere else, the situation is very different now. Directly because of Jerry Brown's politicking against Flournoy back in 1974, the Legislature in 1976 enacted a reform law that severely restricts service-charge use. However, the law does not cover service charges taken by banks before then. As a result, many banks, led by the Bank of America, contend that they are entitled to those funds. But Controller Cory says "no" and is currently seeking $23.1 million from the Bank of America alone. The issue is before the courts.

The California situation is hardly typical of the nation as a whole. In Colorado, for instance, bankers recently blocked enactment of a tight unclaimed-property law. Thus, says Epstein, the chances of recovering a forgotten account in that state are nil. But not to worry. Thanks to such situations, Epstein looks forward to many years of full employment.

And perhaps there will be another nugget for him. Two years ago, while examining records in Minnesota, he discovered an uncashed stock dividend belonging to a deceased uncle, Al Epstein. With pleasure, he delivered the $50 to his Aunt Zelda.

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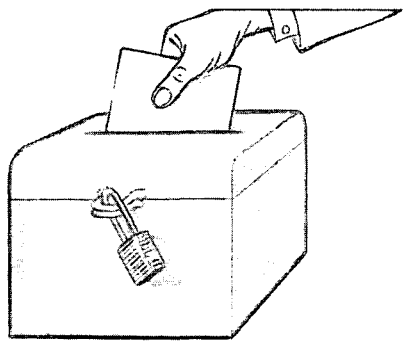
June 1982

California Journal Ballot Proposition Analysis



The fate of an unusual package of propositions will be decided by California voters on the June 8th state primary election ballot. The 12 measures are extraordinary in three major respects:

- **The qualification** of even one referendum for the ballot is rare in California. The June ballot will contain four — the Peripheral Canal measure and the three reapportionment bills opposed by the Republican Party.
- **Voter decisions** on four measures — the two inheritance tax initiatives, the income-tax indexing initiative and the proposed prison bond issue — will have an immediate impact on the state budget under consideration by the Legislature.
- **Although the ballot** will contain a total of 12 statewide propositions, there will really be only nine issues before the voters. That is because the two inheritance-tax initiatives are virtually identical and because the three reapportionment referenda present essentially a single decision for the electorate. (In the event both inheritance-tax proposals are approved, the one receiving the most affirmative votes will become law.)

A simple majority vote will enact any of the propositions, including the bond issue. An affirmative vote on any of the referenda is a vote in support of the bill enacted by the Legislature; a negative vote is a vote to defeat the Peripheral Canal or any of the reapportionment plans.

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1 PRISON CONSTRUCTION BONDS

This proposal would provide for the issuance of $495 million for the construction of state prison facilities.

Background: The state operates 12 prisons with a designed capacity for about 25,000 inmates. The state has not constructed a new prison for nearly 20 years. Prisons were crowded during the Pat Brown Administration, but release policies changed while Ronald Reagan was governor and the system was able to handle the caseload without much difficulty. In recent years, however, there has been a sharp increase in the prison population. There are now about 30,000 inmates in the system, and the Department of Corrections anticipates that the population will reach almost 45,000 by July 1986 — 20,000 more than the designed capacity of the present system. The state has attempted to meet the shortage through the "double-celling" of prisoners (two inmates in a cell designed for one) and through the use of temporary facilities. Start-up funding has also been appropriated for new prisons at Tehachapi, San Diego and unspecified sites.

The proposal: If this measure is enacted, the state will be able to sell $495 million in general-obligation bonds to finance the construction, renovation, remodeling and maintenance of prison facilities. This proposal would provide partial funding for some 10,000 permanent beds. Assuming that the bonds are sold at the maximum legal interest rate of 11 percent and are paid off over a 20-year period, the total cost to the taxpayers would be about $1.067 billion.

Arguments for: Governor Jerry Brown, Attorney General George Deukmejian and other sponsors of Proposition 1 emphasize that California in the past few years has enacted

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more tough anti-crime laws than ever before. The result has been a significant increase in commitments of felons to prison, and the prisons are getting dangerously overcrowded. Unless additional cells are provided, the state faces the possibility that the courts will order that prison conditions be improved or that prisoners be released. Brown estimates that this measure will provide housing for 7,000 additional prisoners. The proponents claim that this measure offers Californians the best method of financing prisons because the facilities will be used for 50 or 60 years and will benefit future generations.

Arguments against: Most of the legislators who voted against placing the bond issue on the ballot favor the construction of new prisons but oppose bond financing. State Senator Ollie Speraw claims there is no need to spend more than a billion dollars (including interest) for these facilities and that new prisons can be financed out of current state revenues — if waste is eliminated from state budgets. Assemblywoman Marian La Follette argues that because of historically high interest rates, this is a bad time to put the state deeper into debt and that alternatives — including the use of surplus military facilities — should be considered.

2 PRESIDENT OF THE SENATE

This proposed constitutional amendment would remove the lieutenant governor as president of the state Senate.

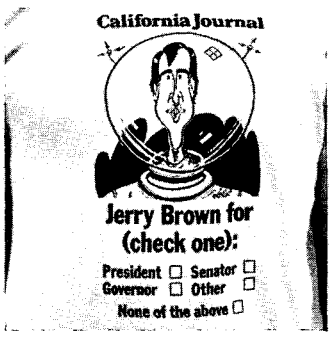
Background: The state constitution designates the lieutenant governor as president of the state Senate, with the power to cast a vote only in case of a tie. In practice, lieutenant governors have not presided over the Senate on a regular basis and have rarely cast tie-breaking votes.

The proposal: This measure would eliminate from the constitution the provision designating the lieutenant governor as president of the Senate. The Senate would designate a president from within its membership, and tie votes would defeat measures.

Arguments for: State Senator Barry Keene, the main sponsor of this proposal, makes three main arguments for its enactment. First, he claims, the lieutenant governor is a member of the executive branch of government and serves with the full power of the state's chief executive when the governor is out of state. It is even conceivable that the lieutenant governor could vote for a bill in the Senate and then have to decide as acting governor whether to veto or sign the measure. Secondly, Keene maintains that the Senate alone should be responsible for its actions. His final argument is that this measure brings the law into comformity with reality because lieutenant governors do not often preside over the Senate, and the last tie-breaking vote was cast six years ago. Lieutenant Governor Mike Curb supports the measure.

Arguments against: The opponents of Proposition 2 feel that the power to preside over the Senate is an important function of the lieutenant governor and is virtually identical to the role of the vice president of the United States in the U.S. Senate. State Senator H. L. Richardson argues that there is no real conflict between the executive and legislative branches of government because never in California's 133-year history has a lieutenant governor been faced with voting on a bill and then deciding its fate while sitting in the governor's chair. Richardson claims that the ability of the lieutenant governor to break a tie often forces some senators to commit themselves on controversial measures.

New arrival: The 'B.T. for GUV' T-shirt



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3 VALUE OF CONDEMNED PROPERTY

This proposed constitutional amendment will change the property-tax laws so that owners of property taken by government agencies will be able to retain the full benefits of Proposition 13 (the Jarvis-Gann property-tax initiative).

Background: Proposition 13, the Jarvis-Gann property tax initiative, established a 2 percent limit on any assessment increase in a single year. However, it provided an exception for any parcel that changes ownership. After a piece of property changes hands, it must be reassessed at full market value.

The proposal: This measure, which passed both houses of the Legislature unanimously, is designed to assist those who are forced to give up their homes and businesses because of government action. If this measure is approved, those who are forced to sell because of eminent-domain proceedings or inverse condemnation will be able to purchase "comparable property" without having the replacement parcel reappraised. "Comparable property" is defined as one which is similar in size, utility and function to the one from which the owner was displaced. The parcel need not be of comparable value to the one being replaced.

Arguments for: Assemblyman Robert Campbell, sponsor of the measure, says it is unfair for individuals to pay higher property taxes when they are forced to relocate to make way for government projects. Under current law, according to Campbell, victims of condemnation suffer a double blow — loss of their property and an additional tax burden.

Arguments against: Sacramento attorney Timothy D. Weinland claims that Proposition 3 would perpetuate the injustice of Proposition 13, which establishes two classes of property owners — those who bought their parcels before and after 1975. He also argues that this measure would allow rich people who lose their homes through government action to buy more expensive residences and get tax breaks on them.

4 DENIAL OF BAIL

This proposed constitutional amendment would give judges additional grounds for denying bail to defendants in felony cases.

Background: Under current law, courts must release on bail all persons accused of committing crimes while the defendants are awaiting trial. Bail may be denied only for those accused of capital crimes (those punishable by death). In fixing the amount of bail, statutes require that judges consider the seriousness of the offense, the defendant's criminal record and the likelihood that the defendant will appear at the trial. The state constitution prohibits the setting of "excessive" bail.

The proposal: Proposition 4 would place in the constitution the statutory considerations for the setting of bail. If the measure is passed, the Legislature would not be able to establish new bail standards without a vote of the people. In addition, the proposition would establish two new sets of circumstances under which bail may be denied:

- In felony cases involving acts of violence where there is substantial likelihood that release of the defendant would result in great bodily harm to others.
- In felony cases where the accused has threatened another with great bodily harm and there is a substantial likelihood that the threat would be carried out if the defendant were released.

Arguments for: The legislators who sponsored Proposition 4 argue that judges now cannot consider public safety or the likelihood of a violent act being committed if a defendant is released on bail. If this measure is passed, they emphasize, judges will have the tools to protect citizens from offenders who have long records of assault and sexual attacks as well as from those who have threatened to inflict great bodily harm on witnesses or victims.

Arguments against: Representatives of the American Civil Liberties Union of Southern California and the California Attorneys for Criminal Justice claim this measure would bring "preventive detention" to California and would violate the presumption that an individual is innocent until proven guilty. The opponents also claim that predictions of danger are notoriously inaccurate and that judges may well release the wrong defendants. They claim that preventive detention has been used in Washington, D.C., for a decade without any reduction in violent crime.

5&6 INHERITANCE AND GIFT TAXES

These proposed initiative statutes would repeal most state inheritance and gift taxes.

Background: California levies an inheritance tax based on the value of property received by each heir or beneficiary. The federal government taxes estates left by deceased individuals, and this levy is based on the total amount of the estate regardless of the number of beneficiaries. The state's gift tax is based on the amount received each year by each

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recipient. In 1980, the state Legislature made major changes in the inheritance and gift taxes in an effort to eliminate some of the hardships brought about by these levies. The tax rates, which are the same for both gift and inheritance taxes, now range from 3 to 24 percent of value — depending upon the class of recipient and the value of the property. Children of the deceased are subject to the lowest tax rates and non-relative beneficiaries to the highest rates.

The proposal: Propositions 5 and 6 are almost identical. The only differences between them are rather technical. If one or both are approved by the voters, the net effect will be that most state inheritance and gift taxes will be eliminated. These measures would require the state to levy an estate tax equal to the maximum credit available under the federal estate-tax law. The effect of this "pickup tax" provision would be for the state to collect taxes that otherwise would go to the federal government.

Adoption of one of these measures would reduce state revenues by about $130 million in the 1982 - 83 fiscal year, by about $365 million in 1983 - 84 and by higher amounts thereafter. (During the current fiscal year, the state will collect about $465 million in state and gift taxes. The measure would take several years to implement fully because there is a time lag between the date of death and the time when taxes are paid. Note: If both measures are approved by the electorate, the one receiving the most affirmative votes would go into effect.

Arguments for: Proposition 5 qualified for the ballot through an initiative campaign headed by attorney David E. Miller of San Francisco. The Proposition 6 initiative drive was led by Assemblyman Don Rogers of Bakersfield. They argue that the inheritance tax is a cruel levy that forces middle-income families to sell homes and farms even though taxes on their inherited wealth have been paid during the lifetime of the individual who accumulated the property. They argue that it is "repulsive" for government to tax inheritances and redistribute the wealth. They argue that the 1980 action of the Legislature reduced the levy by 27 percent but did not solve the basic problem. If the initiative does not pass, they add, there is nothing to prevent the Legislature from increasing gift and inheritance taxes. Rogers argues that his Proposition 6 is a superior measure to Proposition 5 because it contains more technical safeguards to prevent the imposition of the inheritance tax under a different name. Among the supporters of Proposition 6 are the California Farm Bureau, the California Chamber of Commerce and the California Association of Life Underwriters.

Arguments against: The opponents to Propositions 5 and 6 claim that they are designed to provide tax relief to the wealthy because 50 percent of the benefit would go to less than 6 percent of the beneficiaries. The opponents include the leadership of the League of Women Voters of California, the California State Parent-Teachers Association and the California Gray Panthers. They maintain that inheritance and gift taxes are among the fairest forms of taxation because they are proportional to the amount inherited and thus to ability to pay. They also argue that the state is in critical financial straits and cannot afford to lose hundreds of millions of dollars. They emphasize that in recent years both state and federal taxes on heirs have been reduced substantially, virtually eliminating any middle-income hardships that may have existed. The California inheritance tax has been on the books since 1893, and the opposition claims that it is still needed to prevent the concentration of wealth in a relatively few families.

(For an additional analysis of Propositions 5 and 6, see the *California Journal*, April 1981).

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7 INCOME-TAX INDEXING

This proposed initiative statute would apply a cost-of-living factor each year to the state income tax.

Background: Under California's income-tax system, the rate of taxation is determined by 11 brackets — ranging from 1 to 11 percent, depending upon total taxable income. Each year, these brackets are revised upward to compensate for the rate of inflation. Otherwise, individuals would be paying taxes at a higher rate every year — even though their actual income (adjusted for inflation) did not increase. The state tax law also provides for the indexing of credits, including the personal, dependent and low-income credits. During the 1980 and 1981 tax years, the brackets and the tax credits were fully adjusted to account for an increase in the California Consumer Price Index. Under current law, the *credits* will remain fully indexed. But starting this year, the *brackets* would be raised each year by the percentage increase in the California Consumer Price Index which exceeds 3 percent in any year. Governor Brown has vetoed legislation that would maintain full indexing for an indefinite period.

The proposal: This initiative is sponsored by Howard Jarvis, the co-author of Proposition 13 of 1978. It would require permanent full indexing of the income-tax brackets starting with the 1982 tax year. It is anticipated that the increase in the Consumer Price Index will be about 12.8 percent this year. If this measure passes, the brackets would be adjusted upward 12.8 percent rather than 9.8 percent. The impact of the measure on a family of four with household income of $27,500 would be a reduction of tax liability from $415.05 to $400.65. The legislative analyst has estimated that the loss to the state will be $230 million in the 1982 - 83 fiscal year, $445 million the next year and ever-increasing amounts thereafter.

Arguments for: Howard Jarvis and other supporters of Proposition 7 claim that income-tax rates for many Californians could double in four years if the initiative fails. They claim that passage of this measure is necessary to assure that inflation alone will not increase the tax burden of Californians. Jarvis emphasizes that wealthy taxpayers will have little to gain from this measure because they already pay the maximum 11 percent on the bulk of their income. The prime beneficiaries, according to Jarvis, will be families in the $10,000 to $40,000 brackets. Another argument in favor of the measure is that Californians for the past two years have enjoyed the benefits of full indexing, and they will be hit, in effect, with a tax increase if this proposition is not approved.

Arguments against: The official argument against Proposition 7 was signed by Assemblyman Howard L. Berman, who emphasizes that the state cannot now afford further loss of revenue. He maintains that California now faces the loss of federal funds and needs growth in income-tax collections to provide vital services for the citizenry. Berman points out that one-third of the reduction in state taxes must be paid to the federal government in income taxes because of the loss of deductions. Berman argues that indexing is a regressive system that gives only 9 percent of the savings to the poorest half of the taxpayers and 75 percent of the benefits to the wealthiest 25 percent.

8 CRIMINAL JUSTICE

This proposed initiative measure would enact numerous changes to the criminal law via constitutional amendment and statute.

Background: California's criminal justice system is spelled out in general by the state constitution and in detail by the body of statutes, primarily in the penal and evidence codes. In the past two years, the Legislature has been especially active in consideration of numerous bills designed to crack down on the criminal element in California society.

The proposal: This initiative, the so-called Victims' Bill of Rights, was circulated by Paul Gann, co-sponsor of Proposition 13 of 1978. It was originally designed to win voter approval for a variety of proposals that the Legislature over a period of years had refused to enact. However, some of these elements have been enacted into law during the 1981 - 82 session of the Legislature. A controversy arose over the placement of this initiative on the June ballot. In ruling that the measure should be brought before the electorate on June 8th, the state Supreme Court made it clear that it was not deciding the issue of whether the initiative is constitutional. Some justices questioned whether Proposition 8 is limited to a single subject, as required by the constitution. Should the measure pass, it undoubtedly will be challenged on the ground that it covers perhaps a dozen topics. Here is an outline of what the measure would do:

- Restitution — Except for unusual cases, convicted persons would be required to make restitution to all of their victims who suffer losses. The amount of restitution would depend on ability to pay.
- Safe schools — A provision would be added to the state constitution declaring that students and staff of public schools have the "inalienable right to attend campuses which are safe, secure and peaceful."
- Evidence — Most relevant evidence, including that obtained by unlawful searches and wiretapping, could be presented in criminal cases if allowed under federal law. The Legislature would be allowed to enact restrictions by two-thirds vote.
- Bail — Judges would be given more discretion in the granting of bail, and protection of public safety would be the primary concern in bail considerations. Courts could not grant bail to persons charged with certain felonies, and judges would be required to state for the record reasons for granting or denying bail.
- Testimony — Information about prior felony convictions could be used without limitation to discredit the

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testimony of a witness. (Now, such information may be used only in limited circumstances.)

- Prison terms — Prior convictions could be used to increase prison sentences by five years for each prior conviction.
- Defenses — The diminished-capacity defense (based on intoxication, trauma, mental disease, etc.) would be prohibited. The rules for establishing lack of guilt because of insanity would be changed significantly, making it much more difficult for a defendant to win an acquittal by reason of insanity.
- Victims — Victims of crimes (or their next of kin) would have the right to make statements to courts at sentencing and probation hearings. Courts and hearing boards would be required to make a public-safety finding before releasing a convicted individual on probation or parole.
- Plea bargaining — Restrictions would be placed on bargaining between defendants and prosecutors in cases involving specified felonies and drunk driving. (Plea bargaining is a term used to describe situations in which a guilty plea is exchanged for a reduced charge or sentence.)
- Youth Authority — Persons 18 or over at the time they commit murder, rape and several other felonies could not be sent to the Youth Authority. They would be sentenced to state prison, local jails or probation.
- Sex offenders — The special program for mentally disordered sex offenders would be abolished. (This was accomplished by legislation enacted in 1981.)

The legislative analyst has been unable to estimate the cost of this measure to state and local government, but feels that there would be "major" increases in the cost of administering the criminal justice system, providing school security and operating the courts and prison systems.

Arguments for: Paul Gann and the other supporters of Proposition 8 claim the omnibus measure is needed because the Legislature has been soft on criminals. They argue that this measure would balance the rights of innocent victims with the constitutional rights of criminals. Attorney General George Deukmejian argues that this proposition will overturn some of the decisions by the state's highest courts which have created more rights for the accused and have placed more restrictions on law enforcement officials. He predicts that enactment of the measure will result in more convictions, more criminals being sent to prison and more protection for the citizenry. Gann claims the proposition is backed by 30,000 police officers and by many police chiefs, district attorneys and sheriffs. He emphasizes that the measure is designed to provide rights to the victims of the criminal justice system. The targets, Gann says, are the "liberal reformers, lenient judges and behavior modification do-gooders who release hardened criminals again and again to victimize the innocent."

Arguments against: Among the opponents of Proposition 8 are the chairman of the Assembly criminal justice committee, Terry Goggin, and two district attorneys, Stanley Roden of Santa Barbara and Richard Gilbert of Yolo County. They claim the measure is a hoax because it will not reduce crime. They say it will mangle nearly every section of the criminal justice system it touches and they offer these examples: Because there is a good chance Proposition 8 is unconstitutional, it could result in courts throwing out valid criminal convictions; the measure would take away law enforcement's ability to negotiate with criminals to get them to testify against each other; the proposition would allow defense lawyers to attack the character of police witnesses; nobody knows what the "safe schools" provision means and how it might be implemented; the measure contains no money to pay for the increased costs of running the justice system; much of Proposition 8 is already law, and this measure could impose its confusing language on top of current clear statutes. The opponents claim this measure abuses the initiative process and is a political ploy that will make it harder to convict criminals, will lead to endless appeals and will create chaos in the legal system.

9 PERIPHERAL CANAL

This statute, placed on the ballot by referendum, would authorize the construction of the Peripheral Canal and other water facilities.

Background: The controversy over Proposition 9 has its roots in the State Water Project, approved by the voters in 1960. The project, which includes the Oroville Dam and a large pumping plant in the San Joaquin River delta, was designed to provide additional water for the San Joaquin Valley and Southern California. The 1960 measure (the Burns-Porter Act) contained authority for the construction of additional unspecified facilities as well as a unit to transfer water across the Sacramento-San Joaquin delta. The proponents of Proposition 9 claim that the Peripheral Canal would be such a trans-delta facility, while the opponents argue that there is a world of difference between a canal that goes across the delta and one that goes around it. However, the issue before the voters is whether or not to approve the Peripheral Canal; no trans-delta facility has been given serious consideration by the Legislature.

A few years after the $1.75 billion State Water Project bond issue was approved by the voters, the push began for construction of the Peripheral Canal, which would move Sacramento River water around the eastern and southern edge of the delta. Should the canal be built, the state — rather than nature — would determine the flows within the delta. Thus, human decisions would be made as to the amount of water that would be released into the delta to maintain fisheries and water quality, to protect holders of water rights in the delta and to provide flushing action in San Francisco Bay.

In an effort to provide protections for the delta-Bay region, the Legislature placed a constitutional amendment on the ballot in November 1980. That measure, Proposition 8, was subsequently approved by the voters. It restricts authority of the Legislature to weaken wildlife, water-rights and water-quality protections written into the law and also prevents development of North Coast rivers that are subject to the state Wild and Scenic Rivers Act. That proposition was tied to the Peripheral Canal bill. If the canal is rejected, Proposition 8 of 1980 will be null and void.

The proposal: Senate Bill 200 by Senator Ruben Ayala of San Bernardino County was passed by the Legislature after many years of conflict over the Peripheral Canal issue. Environmentalist groups subsequently circulated petitions to force a public vote on the issue via the referendum process. It is important for voters to realize that a "yes" vote is a vote

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to approve construction of the canal and other facilities; a "no" vote is a vote to kill SB 200 and force the Legislature to reconsider the entire question of water development.

The measure directs the state Department of Water Resources to construct the canal and authorizes the construction of several other projects, including Los Vaqueros Reservoir in Contra Costa County, Glenn Reservoir in Glenn County, the Mid-Valley Canal in San Joaquin County, various groundwater-storage, transportation, wastewater-reclamation and other projects.

What will all this cost? The legislative analyst has compiled a chart based on 1981 prices, showing that the minimum cost for the facilities would be more than $3 billion. The canal itself would cost $680 million. However, these projects would be built over a period of at least two decades, and inflation must be taken into consideration. Also, there will be interest charges on money borrowed to build the canal and allied projects. Thus, there is no way that a precise price tag can be placed on the proposition, and the cost is one of the main issues in contention in the campaign for and against the measure.

The state Department of Water Resources claims that the project can be built without the use of general tax revenues. This is based on the assumption that revenue bond sales and income from the State Water Project will be sufficient to finance construction of the facilities. (The state would also use leftover funds from the 1960 bond issue, plus $30 million a year in tidelands oil revenues earmarked for the water project.) For many years, it was assumed that the federal government would help finance construction of the Peripheral Canal and the Glenn Reservoir, but this measure calls for the project to be financed solely with state resources.

Some of the sponsors of the Peripheral Canal claim that legislative authorization is not necessary for the canal to be built because of the language in the 1960 proposition. However, if the measure is defeated, it seems unlikely that the state would build the canal in the face of an expression by a majority of the voters.

Arguments for: The proponents (see box) envision the Peripheral Canal as the vital last link in the State Water Project and as a means of providing the state with a massive insurance policy against future water shortages. Southern Californians emphasize that during the next decade the Los Angeles region will lose 55 percent of the water it now receives from the Colorado River as a result of a court decision won by the state of Arizona. Without this project, the supporters argue, the next drought will cause shortages of 20 to 40 percent that will result in higher food prices and unemployment.

The project is important to the economic health of the state, the proponents maintain, because it will provide irrigation water that is necessary to the health of the agricultural industry as well as water that is needed in a variety of other industries. Furthermore, it will help uplift the depressed construction industry by providing jobs over the 20-year life of the project.

The supporters argue that the canal will actually improve the environment of the state. That is because the state will be able to inject water strategically into the fragile Bay-delta system to maximize benefits to fish and wildlife and to improve water quality for delta farmers. They emphasize that the canal will ship south only that water which would otherwise go out to sea. Furthermore, they say that provisions in the proposition will encourage vigorous water conservation efforts and will guarantee that the environment of the north will be protected.

Supporters of Proposition 9 view the State Water Project as the most efficient water program in the world, and it must be completed to bring it to maximum efficiency and reduce the overall cost of water. They point out that the cost to a typical Southern Californian will be only $10 a year and that only those who receive project water will pay for it. No new taxes will be needed to pay for the canal and the other facilities, they emphasize.

The proponents characterize the opposition as "misguided extremists" and selfish land interests.

ORGANIZATION LINEUP

Here is a list of a few of the organizations that have taken a stand on Proposition 9:

For — Metropolitan Water District of Southern California, State Chamber of Commerce, California Wildlife Federation, Association of California Water Agencies, State Department of Fish and Game, California Roundtable, Operating Engineers of San Francisco; Kern and Santa Clara County Farm Bureaus.

Against — Environmental Defense Fund, Federation of Fishermen, California State Grange, California Farm Bureau Federation, Friends of the River, League of Conservation Voters, Save the Bay Association, California Libertarian Party, Young Democrats and Young Republicans.

Arguments against: The coalition opposing the Peripheral Canal is made up of two groups that have diametrically opposite interests. The environmentalists fear that the project will damage the state's ecology, while some farm groups claim that the canal is a bad business deal and would prefer development of North Coast rivers.

The basic argument against the measure is that it may cost as much as $20 billion, will never pay for itself and thus will be a boondoggle that will cost the taxpayers plenty of money in years to come. They emphasize that no accurate cost figures have ever been produced and a cost-benefit study has never been made. They brand the measure as "political compromise at its worst."

Some of the opponents point out that about 87 percent of the state's water is used by farmers, and that just a small amount of conservation on the farm (possibly through a shift to crops requiring less water) will solve the state's water needs for many years to come. They emphasize that there is nothing in this measure that requires farmers to conserve water. This measure, they say, continues the practice of farm subsidization by city dwellers, especially those in the Metropolitan Water District of Los Angeles.

Some farmers are opposing the measure on the grounds that it will provide too little water at too high a cost. They oppose the environmental protections and would prefer to obtain large quantities of relatively cheap water by damming rivers of the North Coast.

Environmentalists say they are not willing to trust state officials in a dry year. When a test of political power pits the north against the south, they feel that the Bay-delta ecology will suffer so that water can be shipped south.

The opponents argue that the canal is not primarily for the benefit of the urban dwellers of the south or for small farmers. Instead, they say, the prime beneficiaries will be the big oil companies and wealthy land developers "who often masquerade as farmers." The opposition also argues that many Southern Californians have received a distorted view of the canal from reading the *Los Angeles Times* because the family that controls the *Times* also has large land holdings that would benefit by construction of the canal.

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10, 11 & 12

CONGRESSIONAL, SENATE AND ASSEMBLY DISTRICTS

These three reapportionment statutes were enacted by the Legislature and thereafter were placed on the ballot via the referendum process.

Background: The law requires only that boundaries of the state's congressional, state Senate and Assembly districts be adjusted following every decennial census. This process is known as reapportionment or redistricting. Districts must be as nearly equal in population as practicable, must be numbered in a specified manner and must be drawn so that city, county and geographical regions are left intact to the extent possible. Following the 1980 federal census, the Legislature enacted redistricting measures for the House of Representatives, the Senate and the Assembly. The bills were signed into law by Governor Brown. The Republican Party then circulated referendum petitions and succeeded in qualifying the redistricting bills for the ballot. The state Supreme Court then ruled that the lines in the three bills must be used for the 1982 elections, regardless of the outcome of the vote on the three bills, which appear on the ballot as Propositions 10, 11 and 12.

The proposals: If Propositions 10 (Congress), 11 (Senate) and 12 (Assembly) are approved, there would be no change in the boundaries for the state's congressional and legislative districts until 1991. If the measures are defeated, the Legislature will be charged with drawing new lines "essentially different" from those contained in the bills enacted last year. It is important for voters to understand that a yes vote is a vote *in favor of* the Legislature's plans; a no vote is one in support of the Republican Party's efforts to *kill* the three sets of lines.

Arguments for: The supporters of these measures, essentially Democratic, argue that the redistricting plans are fair, that they meet the one-person, one-vote requirements of the federal constitution and that they do not break up communities unnecessarily. They claim that the Republicans are attempting to use the referendum process to gain an advantage that they have not been able to win through the election of a Republican majority in the Legislature. The backers of these districts point out that it will cost $1 million to draw alternative plans and that the Republicans have not shown the public what lines they want drawn. The proponents argue that the plans have been approved by the federal Department of Justice for compliance with the Voting Rights Act. In the case of the Senate plan, the proponents maintain that the bill was passed with the support of some Republicans. The sponsors claim that the bills were passed after extensive hearings and that they meet every requirement of law.

Arguments against: The opponents of the bills, primarily Republican, argue that the three bills were unfair gerrymanders designed to keep incumbents of both parties in office and to restrict the number of truly competitive districts. They claim that hearings on the bills were a sham and that the decisions were made in secret. The result is a stacked deck which benefits relatively few powerful politicians and eliminates healthy political competition. They charge that the districts do not follow logical lines and represent "one of the most outrageous gerrymanders in history." The opponents say that most of the news media in the state that have commented on the issue side with the Republicans. The opponents urge the voters to send the Legislature a message to stop the abuse of the political process. In the case of the congressional districts, the opposition emphasizes that the process was so secret that maps of the new districts were not made public until after the bill was signed into law.

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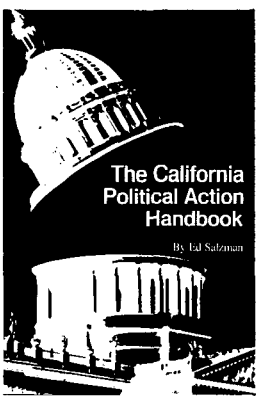

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San Francisco's novel scheme to provide affordable housing

By MARSHALL KILDUFF

"Gouge," "blackmail" and "guilt money" are the words developers mutter to describe the latest housing policy in San Francisco. "Innovative" and "reasonable" are gentler words offered by city planners and politicians when they talk about their scheme to force high-rise office builders to pay for local housing programs.

The war of words is focused on a plan requiring developers in San Francisco's booming downtown to supply money for housing as a requirement to win a building permit. Since December 1980 a total of 12 builders have pledged payments towards 2,094 dwellings as a condition of their permits; welshing on the pledges could result in civil lawsuits against the builders. Other cities across the country with an office building boom and a moribund housing market are watching the San Francisco experiment to see how the idea works.

So far Mayor Dianne Feinstein feels the program is a success. In a city with the highest average home-sale prices in the country, she is eager to produce a housing breakthrough she can show to voters. The policy has the added blessing of a simple populist appeal of socking it to the rich — fueled in San Francisco by xenophobic stories of Hong Kong Canadian and Texan money flowing into downtown.

For the most part, developers have quietly lined up like schoolboys to agree to the requirements, giving speeches in opposition that are notably short on enthusiasm. For a high-rise builder on a tight construction schedule, with dozens of tenants waiting to move in, it is impossible to stop and fight. In a survey of a dozen builders, most felt the housing payments were an annoying cost of doing business in San Francisco but not worth the expense and delay of a lawsuit.

"Politicians in their wisdom have imposed this on us to solve the city's housing problems," says developer John E. Harris sarcastically. His Norland firm is active in skyscraper speculation. "Call it extortion or blackmail, depending on your judgment," says Rolf Wheeler, West Coast manager for Marathon Corporation, a Canadian real estate firm. "But we're pragmatic. We've come to San Francisco to build quality projects and when you come to a community, you observe the rules," Wheeler adds.

The housing policy itself is an outgrowth of a strong trend to make downtown pay more for city services. It began with a determined band of high-rise opponents whose constant badgering convinced city planners that unfettered downtown growth was worsening the problem of expensive and scarce housing. In December 1980 the first developer agreed to a requirement for 89 units of housing, in exchange for permission to build an 18-story office building on Jessie Street.

Law or mumbo-jumbo?

The planners set forth a formula based on the number of new employees expected to move into San Francisco and to work in the new building — presumably an extra batch of people added to the crowds already hunting for homes and apartments. This formula was aimed at making the developers "mitigate the environmental impact" their office building would cause on the San Francisco housing market. The planners based their new permit condition on the state Environmental Quality Act which requires that effects of projects be estimated in advance. By adding housing as an "environmental" effect, the planners clothed their policy with the mantle of state law. Suspicious developers feel the formula is so much city hall mumbo-jumbo, cooked up to squeeze them.

Specifically, the formula assumes there is one office

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worker for every 250 square feet of space and that 40 percent of the new workers will live in San Francisco. The formula then estimates that a new dwelling unit will be needed to accommodate every 1.8 workers. The new dwellings may be built anywhere in the city.

In addition to these computations, there are new guidelines, passed in January, to explain how the housing debts should be paid off. At first glance, the San Francisco plan suggests that developers would be putting up stacks of condo beehives for the racquetball-executive types who are likely to be downtown workers. But Mayor Feinstein and her director of planning, Dean Macris, tilted the guidelines toward cash-starved renewal and public-housing programs. By giving developers extra credit for subsidizing these ailing agencies, Feinstein so far has generated nearly $7 million to renovate public-housing projects, subsidize home-buying loans and bail out a renewal project short of money. These lodgings are hardly the places where downtown workers are likely to live, but Macris claims payments to these programs will alleviate citywide housing pressures.

The flashiest example of the new program was $2.4 million paid by two developers to convert the notorious "Pink Palace" housing project from a vandalized, crime-ridden failure into a renovated and secure senior-citizen complex. The developers are actually renovating only 199 units, but the extra credits for renewal investment will add up to 610 units for the developers to use in meeting their housing obligation for their downtown project. The end cost to developers is about $4,000 per apartment.

Other developers have followed suit. Daon, a Canadian firm, paid $1.014 million to renovate 450 units of vandalized public housing for a per-unit cost of $2,253. Marathon paid $3.5 million to the Redevelopment Agency to bail out a 300-unit housing development in Hunters Point that ran short of construction money. In exchange, Marathon will receive credit for 707 units by tallying the city-approved bonuses. The cost to Marathon: $4,951 per unit.

If a developer cannot find a city program to assist, there is a bond fund that will cancel out a unit owed for each $6,000 contributed. The fund is intended to help middle-income families (defined in San Francisco as earning up to $45,000) buy homes in the $100,000 range.

But the new policy may only work in boom times. "We know this rule is only good as long as there is strong demand," planner Macris acknowledges. Should vacancies in high rises grow from the present 1 percent to 5 percent, for example, perhaps more developers would balk at the housing rule. Several developers claim the rule adds from 2 to 3 percent to overall costs — a small sum in boom times when a tenant may be willing to pay, but an obstacle when the market is less secure.

Upwards of 2 million square feet of office space will be built downtown this year, with 3 million expected in 1983 and again in 1984, according to city projections. But some major corporations such as Standard Oil, Blue Cross and Bank of America are shifting their "secondary office" ranks of clerks and credit-card processors to cheaper quarters in suburbs such as Walnut Creek in Contra Costa County.

Only one developer — a firm set to build a 196,000 square-foot waterfront building requiring 150 units of housing — has officially rejected the city rule and taken its business elsewhere. Developer Godfrey Jacobs says his firm was "disenchanted" with the housing plan; he says it would have required $900,000 extra if he had taken the bond-program route of paying $6,000 for each unit. Jacobs says the housing policy unhinged his financing by adding an extra sum at a late hour and amounted to a penalty "for cleaning up an area that's full of winos and bums."

"Imagine what Detroit or Cleveland would do for these developers," exclaims Chamber of Commerce executive director John Jacobs. "They'd probably give them tax breaks and bring out the brass band. Here, we try to nail them for the entire city's housing problem," he says.

Impact fee or tax?

The high-rise-and-housing plan is only one of three new downtown-only levies that city officials are trying. Two others are aimed at raising from $20 to $30 million a year for the sagging public transit system, as hard-hit as housing programs by federal cuts. The first — passed by the supervisors and signed by the mayor — seeks to hit new high-rises with a $5 per square-foot, one-time charge, called a transit impact fee. A group of high-rise landlords have gone to court claiming the charge was a disguised tax, forbidden by Proposition 13 unless there was a two-thirds vote.

The second levy, working its way through a series of city hearings, calls for setting up a transit-assessment district covering all of downtown. The rationale for this plan is that downtown receives more transit than other parts of San Francisco and should pay for it. No one has sued yet, although some building owners have threatened to do so.

Santa Monica, another testing ground of new housing policies, has launched a program similar to San Francisco's that scored two quick victories for its authors before a court challenge suspended it. The Santa Monica rule required commercial developers to build one unit of housing for every 5,000 square feet of office space — or else make a payment of 6½ percent of the construction and land costs for the project into a housing fund. Two developers took the latter course, paying the city about $250,000, according to city planning director Jim Lunsford. But in December a carpenters and joiners union — fearing the plan would slow construction — won an injunction stalling its effect.

Barring a Santa Monica-style lawsuit, the San Francisco housing requirement may succeed in boosting local subsidized housing programs. In a city with a strong market such as San Francisco, where developers are in a rush to build, the policy can succeed. But should the market weaken, or should a builder or an ally such as a construction union step in, the policy could collapse.

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Dan Boatwright: portrait of a political animal

By MERRILL COLLETT

State Senator Dan Boatwright is a man with a mission: He wants to move up the political ladder. If he can't be governor of California immediately, he might settle for lieutenant governor or controller for a while.

In recent months, it sometimes appeared that Boatwright was running for all of the above jobs simultaneously. But former Assembly Speaker Leo McCarthy locked up the Democratic nomination for lieutenant governor as his consolation prize for agreeing not to get into the U.S. Senate or gubernatorial races. Boatwright eyed the controller's office too, but incumbent Ken Cory opted out of other statewide contests and settled for a re-election run. This year, at least, Boatwright will have to sit tight.

Boatwright, who relishes the role of tough-talking power broker, attributes his success to a well-honed instinct for survival. "Listen, let me tell you something," he says. "I was born on a farm in the Ozarks. I started work when I was 10 years old. I left home when I was 15. You make very many wrong decisions and you don't survive."

He must have done some things right since his father, a carpenter, moved the family from Arkansas to the blue-collar, North San Francisco Bay town of Vallejo in the late 1930s. As the former mayor of Concord, the past chairman of the Assembly Ways and Means Committee and the boss of Senate redistricting in a reapportionment year, Dan Boatwright, 52, has come a long way.

But what sets him apart from other ambitious sons of the working class is his ability to pick winners. As a young lawyer, he attached himself to Jerry Waldie's Antioch law firm just when Waldie was making the industrial towns and rolling suburbs of eastern Contra Costa County safe for Democrats after a long period of Republican dominance. Boatwright became Waldie's part-time Assembly district representative and full-time political protégé.

As an underdog candidate for the Assembly in 1972, Boatwright pledged himself to Leo McCarthy's campaign for speaker. McCarthy, accompanied by sidekick Art Agnos, helped Boatwright walk precincts and win a come-from-behind victory. Assemblyman Boatwright then doggedly rounded up speakership votes for McCarthy. And Speaker McCarthy gave Boatwright one of the Assembly's juiciest jobs, chairman of the Budget Committee.

As a newly elected state senator, Boatwright again proved his powers of political prophecy by backing David Roberti's successful challenge to President pro Tempore James Mills. Roberti's Rules Committee appointed Boatwright chief of reapportionment and gave him a seat on the Finance Committee as well. "I'm the first freshman ever to sit on Finance and be chairman of a standing committee," says Boatwright proudly.

While his accomplishments are due in part to a sensitive political nose, Boatwright has done more than sniff which way the wind blows. He does his homework, working long hours and delivering a steady supply of state-backed projects for his constituents. He also dispenses regular rewards for friends and punishments for enemies.

The Boatwright style emerged from behind closed doors last year when lawmakers returned to Sacramento for a special session of the Legislature. Although the session was ostensibly called to revise California's welfare laws, Democratic legislators spent most of those November days discussing the welfare of Dan Boatwright. While sardonic Republicans and a bemused press corps looked on, the Democratic Party leaders chased career choices for Boatwright. He had threatened to challenge McCarthy in the race for the Democratic nomination for lieutenant governor, and that had party strategists over a barrel: A head-on battle in the primary between two well-financed candidates from Northern California could pave the way for a GOP victory in November. Democratic chiefs tried to lure Boatwright out of the race by creating a safe spot for him on the Board of Equalization, but he wasn't buying. "I've told them to show me something more attractive, and so far they haven't done it," he told reporters.

Boatwright doesn't mind bullying leaders of his party, but the special-session stand-off stemmed not so much from arrogance as from his deeply felt sense of being wronged. McCarthy, Boatwright believes, reneged on a promise to back his bid for lieutenant governor. Boatwright plays hardball, but he plays by the rules.

Merrill Collett covers state politics for the Valley Times *in Pleasanton.*

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"Dan is very quick to say publicly that he supports friends and punishes enemies," says Contra Costa County Supervisor Sunne McPeak. She and 21 other county officials endorsed McCarthy early in the game, embarrassing Boatwright in his own backyard.

Bringing home the bacon

When it comes to pork-barrel programs, Dan has delivered. Despite his tub-thumping attacks on state giveaways, the self-proclaimed fiscal conservative is generous with his own constituents. After he became Assembly Budget Committee chairman, Sacramento began to take a special interest in Contra Costa County highways, waterfronts, bridges and parks. "People used to tell me I was shameless," he smiles and then concedes, "It was rather blatant."

As a senator, Boatwright still brings home the bacon. Last summer he used an attack on the state's purchase of T-bone steaks for prison inmates to cover his own successful attempt to secure $230,000 for a satellite state college campus in his district. His reputation for tending the home fires added to his popularity as an assemblyman, but it was Boatwright's tough talk on crime and taxes that endeared him to the affluent suburbanites and white workers of the east county areas he represented for eight years. His landslide victories in the 10th Assembly District set new records.

During the 7th Senate District race in 1980, Boatwright's commitment to labor causes helped him win respectable support from black workers in the west county city of Richmond. His election was assured, however, when he was able to keep retiring GOP Senator John Nejedly of Walnut Creek from endorsing a Republican replacement. Nejedly's picture appeared prominently on Boatwright campaign leaflets. Republican fat cats got the message and withheld their support from Boatwright's opponent, who lost 2-1.

Boatwright's ideology of fiscal conservatism tinged with social liberalism reflects the heterogeneous makeup of the county, traditionally split between Democrats in the west and Republicans in the east. Jerry Waldie's successful campaigns for the Assembly and the U.S. House of Representatives broke new ground for east county Democrats, and Boatwright faithfully tilled the soil. Waldie, who weaned Boatwright on county politics, calls him today's version of a New Deal Democrat — a labor conservative who followed the rightward shift of the unions and still believes in expanding economic opportunities.

Boatwright contends that his support for business-backed bills flows naturally from his conviction that free enterprise is the right tool to expand jobs and housing. The friends of free enterprise have responded with more than hearty handshakes, making his list of campaign contributors look like a who's who in California business. His pro-business blasts at the economic policies of Governor Jerry Brown became louder as Boatwright moved closer to running for statewide office.

Boatwright adamantly insists that his vote cannot be bought. "I really have not represented special interests," he says. "They cannot predict me at all." Nevertheless, his occasional bold pitch for developers has aroused the interest of the press and the anger of conservationists. The Sierra Club gave him a 20 percent rating last year.

Conservationists are the people Boatwright loves to hate. At a breakfast meeting of the Contra Costa Board of Realtors last year, he flailed away at the critics of his attempt to win an exemption from Coastal Commission requirements for a Marina del Rey hotel builder. Coastal commissioners were "crazy" for asking the builder to install youth hostel beds and bicycle racks, he said. "If you know any of them," said Boatwright, his voice rising in Southern-preacher fashion as his audience visibly responded, "you can tell them that I publicly said they're crazy. *They're crazy!*"

Boatwright, who is a member of the California Commission on the Status of Women and backs the Equal Rights Amendment, acknowledges that some women resent him despite his support for their cause. He says they want special treatment. "I'm tough," he admits. "I'm tough to women as well as to men. I don't defer to anyone in politics, whether it be a man or a woman. I like to open doors for them; I like to pull out chairs for them — but in terms of politics, we're all equal."

Far to go

The question remains: Can he translate toughness plus Sacramento acumen into election to statewide office? He says his meteoric rise in the Legislature has given him job burnout, and he talks about running for governor. But state voters have knocked down other Capitol kingpins. Former Assembly Speaker Jesse Unruh is the most notable example — and Boatwright lacks Unruh's Southern California base.

Also, the proximity of Boatwright's district to San Francisco makes it tough for him to edge out candidates from Northern California's biggest city. That was at least one of the lessons he learned after squaring off with McCarthy and watching politicians from his own district desert to the enemy.

A poll commissioned by Boatwright indicates just how far he has to go. The poll showed McCarthy beating Boatwright badly everywhere but in Contra Costa, Alameda and San Diego counties. To boost his name recognition, Boatwright spent most of last fall on the Southern California rubber-chicken circuit and in the offices and studios of Southland media, where he preached the virtues of law and order and free enterprise.

Boatwright likes to be seen as a common man who speaks plain talk to working people, and his advisers at Butcher-Forde Consulting want him to keep that image. He has only reluctantly acquired natural-fiber suits in recent years to replace the synthetic outfits which earned him the title of Sacramento's "Polyester Poet." But he still retains the somewhat portly physique which a media-conscious candidate might reshape.

While the feud with McCarthy was still a shooting war, Boatwright tried to pin the label of machine politician on the former Assembly speaker, whom Boatwright accused of building a network of powerful party friends. Boatwright could face similar charges from the GOP. Although his power is based on personal rather than party machinations, Dan Boatwright knows how to cut a deal.

Adding to the wheeler-dealer image is a lingering lawsuit by a Contra Costa County political-reform group which charges that he failed to disclose his financial interests in a Walnut Creek shopping center. Boatwright has been cleared of the charges by a host of county, state and federal investigations, but a state Appeals Court breathed new life into the suit last October. It may be going to trial in the next few months.

Among those interviewed by the Federal Bureau of Investigation agents during their probe of the charges against Boatwright was Tom Coll, a former Contra Costa County supervisor and veteran Boatwright-watcher. Coll and his business partner put up $2,500 to help Boatwright win his first Assembly seat, and Coll was asked by agents why he had donated the money. "That's all I had," was his reported reply.

"Even if I hated Dan," said Coll recently, "I'd still vote for him. He does his homework. His whole life is devoted to politics. The guy's a political animal. He's hungry."

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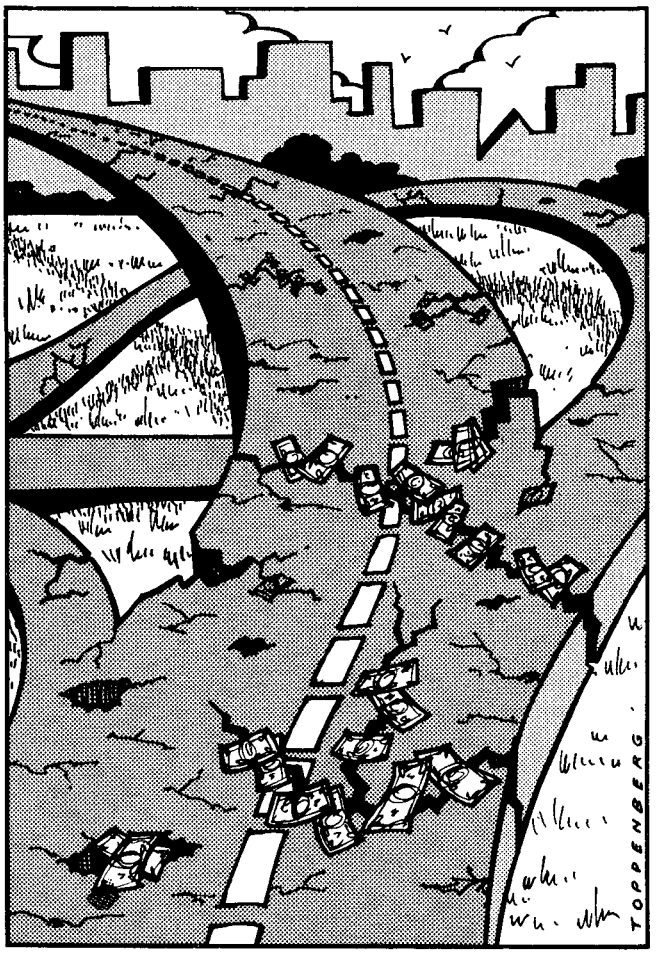
The highway tax hike hardly anyone will notice

By LAUREL BARTON



In February of 1981, representatives of the League of California Cities sat down with state Senator John F. Foran of San Francisco to discuss strategy for the decade-old campaign to increase the state gasoline tax. As Ken Emanuels of the League tells it, the backers of Foran's SB 215 were prepared to abandon hope and put their energies elsewhere. For years, Governor Jerry Brown had made it clear that he was opposed to any general tax increase. His director of transportation, Adriana Gianturco, did not agree with the state's Highway Establishment that the freeway system was headed rapidly downhill. Many previous attempts to increase transportation taxes had ended in frustration. In fact, the last substantial transportation tax increase had been enacted in 1963.

Yet Foran refused to throw in the towel. He told the gathering that the governor had never said that he would veto the bill. Foran showed surprising enthusiasm for an umpteen-time loser. He walked out of the meeting determined to nurse the bill through the Legislature to the governor's desk. Miracle of miracles, SB 215 was signed into law before the end of the year, and Californians are gradually being introduced to a tax increase that will total some $641 million in its first full year of operation.

What happened in 1981 that made passage of the bill possible, whereas many other attempts had been fruitless in prior years? Here are some of the explanations given for the legislative miracle:

- **The Highway Establishment,** headed by the Associated General Contractors, did a marvelous job of convincing legislators that the funds were needed.
- **The publicity campaign** directed against Gianturco and designed to convince Californians that their highways were crumbling took its toll on Governor Brown, who shut off the red light and flashed the yellow signal. The sponsors worked out a mechanism that would actually have county boards of supervisors enact the tax increase — not Brown or the Legislature. And the effective date of the 2-cents-a-gallon increase in the gas tax was set for after Brown leaves office. (See box for details of the tax increases.)
- **The opposition** was virtually eliminated. The trucking industry accepted a hefty increase in weight fees. The Automobile Association and farmers were upset with some sections of the bill, but Foran worked out their problems.
- **Local government,** which will get about one-third of the proceeds, applied heavy pressure once it appeared that Foran had some steam behind SB 215.
- **And everyone** who played a role in passage of the measure gives the veteran Foran, chairman of the Senate Transportation Committee, credit for a masterful job of legislative manipulation.

The need for the bill was presented rather simply. Inflation has made maintenance of the motorway system — state and federal freeways as well as county roads and city streets — quite difficult, and very few dollars were available for new construction. Before the era of high gasoline prices, increased purchases of fuel allowed the state to keep pace with inflation. But the increased cost of gasoline induced Californians to buy fuel-efficient vehicles, and the result was reduced gas-tax income. Californians are driving as many miles each year as they ever did, thus maintaining the need for funds to build and maintain roadways, but they are getting many more miles per gallon.

It is ironic that the Highway Establishment was not able to get a tax increase when gasoline was selling for 40 or 50 cents a gallon. The reason: Motorists might notice it and express their disapproval at the polls. But now with gas far above $1 a gallon and with prices fluctuating a great deal, who is going to notice the 2-cent hike next January 1st? And those who do notice it will probably forget it by the time Jerry Brown and members of the current Legislature are on the ballot again.

Furthermore, the biggest percentage increase was imposed on the driver's license fee, which is paid only once every four years in most cases and does not hit every motorist at once. That is why there was so little public reaction to the imposition of such a major tax increase. By contrast, if the sales tax had been boosted a penny, the howl would

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Profile of a tax increase

Key elements in the highway tax package (SB 215) enacted by the Legislature last year:

- **Gasoline and diesel-fuel taxes** — increased from 7 to 9 cents a gallon, effective January 1983.
- **Vehicle registration fee** — doubled from $11 to $22.
- **Driver's license fee** — boosted from $3.25 to $10.
- **Weight fees on commercial vehicles** — hiked 50 percent on January 1st, 1982; will rise another 10 percent in 1985.
- **Miscellaneous Department of Motor Vehicle fees** — increased to meet cost of providing each service.

This package is expected to produce almost $3 billion over a five-year period, with a third of the money going to local government. In addition, local government is permitted to increase the gasoline tax with local voter approval. The 2-cent increase that starts next January was conditioned on the approval of county boards of supervisors representing at least two-thirds of the state's population. Most counties approved the increase virtually overnight.

probably have been enormous, especially in the era of the tax revolt.

Here is an estimate from the bill's sponsors of the impact in each of the first five years:

1981-82	$185 million
1982-83	$468 million
1983-84	$641 million
1984-85	$669 million
1985-86	$700 million

The five-year total is about $2.7 billion — the amount needed to cover the supposed deficit in the highway fund. Caltrans conceded for the first time last year that there would not be enough revenues to complete the state's long-range highway plan, although there were differences of opinion as to the amount of the deficit.

Foran reports that he spoke to each member of the Legislature — some on the after-hours circuit — and provided each with a map of his or her district's roadways and how SB 215 would affect each area. He also was forced to accept amendments along the way, including the Republican proposal for the county-control clause. But he staved off attempts to place school busing and minority contracting clauses in the bill. He also resisted efforts to include tax exemptions for special interests.

The next fix

It is already a matter of debate how long the SB 215 fix will keep the highway fund healthy. Foran cliams that the bill is only a temporary solution. "Nearly $10 billion will be necessary to repair the state's highways and bridges," he says. "We are a long way from meeting the true needs that face California's transportation system." He claims that SB 215 will hardly be felt by the average motorist because the cost will be about $25 per driver a year. And if gasoline prices keep dropping because of the worldwide oil glut, the tax increase will not be noticed at all.

Will the next highway-fund shortage be met with another round of taxes on the motorist? One possible alternative has been suggested by lobbyist Ed Gerber, who represents local government and transportation clients. To meet new construction needs, he says, developers of new areas which need expanded service should help pay the bill. But Walter Ingalls, former chairman of the Assembly Transportation Committee, sees a major problem with that approach: It would boost the cost of housing, which already is beyond the reach of many Californians. Other solutions have also been suggested, including the application of a cost-of-living factor to the gasoline tax. Legislators are generally fearful of this approach because the state could collect too much money and because there could be voter backlash during inflationary times.

While the form of the next transportation-finance measure may be in doubt, there is no question but that the machinery is already in place to get something rolling. The Construction Awareness Program, the public information arm of the construction industry, produced a film to help generate support for SB 215. Now that 10-minute film has been revised and updated for showing to Californians. It makes the case that the state's road system is becoming increasingly unsafe and that SB 215 is not a panacea. The film is entitled "Road to Ruin."

NEW IN PRINT

The Tax Revolt, by Alvin Rabushka and Pauline Ryan of the Hoover Institution. 288 pp., clothbound. Available for $16.95 from the Hoover Institution Press, Dept. F938, Stanford University, Stanford, CA 94305.

An Economic and Legal Analysis of Rent Control, by Louis M. Rea and Dipak K. Gupta for the Institute of Public and Urban Affairs. 71 pp., paperback. Available for $4 from the IPUA, The Public Administration Center, San Diego State University, San Diego, CA 92182.

California Growth in the 1980s — Update, by the Center for Continuing Study of the California Economy, as part of the Center's California Projection Series. 126 pp., paperback. Available for $85 from the Center, 610 University Avenue, Palo Alto, CA 94301.

The Begatting of Ronald Reagan, by Lincoln Haynes, Michael Malone and Myron Roberts. 64 pp., paperback. Available for $5.95 from the Palos Verdes Book Company, PO Box 456, Lomita, CA 90717.

Ronald Reagan: A Political Biography, by Lee Edwards. Revised and updated. Published by Nordland Publishing International, Inc. 291 pp., paperback. Available at $5.95 from Caroline House Publishers, Inc., 920 W. Industrial Drive, Aurora, Ill. 60506.

Local Energy Initiatives: A Second Look: A Survey of Cities and Counties, California 1981, 2nd edition, from the state Office of Appropriate Technology. 127 pp., paperback, with appendices. Available from O.A.T., 1600 9th St., Suite 330, Sacramento, CA 95814. (916) 445-1803.

Common Sense Wind Energy, by Jack Park and John Obermeier for the Governor's Office of Appropriate Technology and the California Energy Commission. 69 pp., illustrated. Available free to California residents ($3.50 for out-of-state) from O.A.T., 1600 Ninth St., Sacramento, CA 95814.

The Future of the Delta: Proceedings of a Conference, edited by Anne Sands, for the Institute of Governmental Affairs, UC Davis, the California Department of Water Resources and UC Davis Extension. 113 pp. Available at $6 from the Institute, University of California, Davis, CA 95616.

Corrected Listing

L. A. Access, by the California Council, the American Institute of Architects. A guide to restaurants, roads, events and sights in the Los Angeles area. 144 pp., hardback, with maps and index. Available for $9.95 from the Institute, 1414 K St., Suite 320, Sacramento, CA 95814. (916) 448-9082.

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California now benefits from a worldwide energy glut and from the state's efforts to promote electricity conservation. Yet Commissioner Emelio Varanini of the state Energy Commission claims that another critical petroleum shortage is "nearly a 100 percent certainty at some point over the next 10 years." Will California be prepared?

California's energy future

By A.G. BLOCK

If time were somehow frozen in the here-and-now, California's energy picture would look bright. The state is temporarily in good shape, thanks largely to an international oil glut. Although it weakened somewhat during the final two months of 1981, the glut is continuing into 1982.

"But no matter how good the situation seems at present, you can't separate the 'now' from the future," warns Phil Greenberg, special assistant for energy to Governor Jerry Brown. "How we deal with energy now will eventually influence what we're able to do in the future."

The most unpredictable element in any energy portrait is the chance of a sudden, overnight disruption of the nation's oil supply. While natural gas and electricity (the state's two other major sources of energy) are also vulnerable, oil has officials most concerned. Oil supports more than 60 percent of California's energy industry. The state relies less on foreign imports than do other states or regions (14 percent statewide as opposed to 40 percent nationwide) but only because Alaskan oil has taken up the slack. If an international oil crisis developed, that North Slope bonanza could end up in Japan or Southeast Asia, because the federal government is party to International Energy Agency allocation agreements.

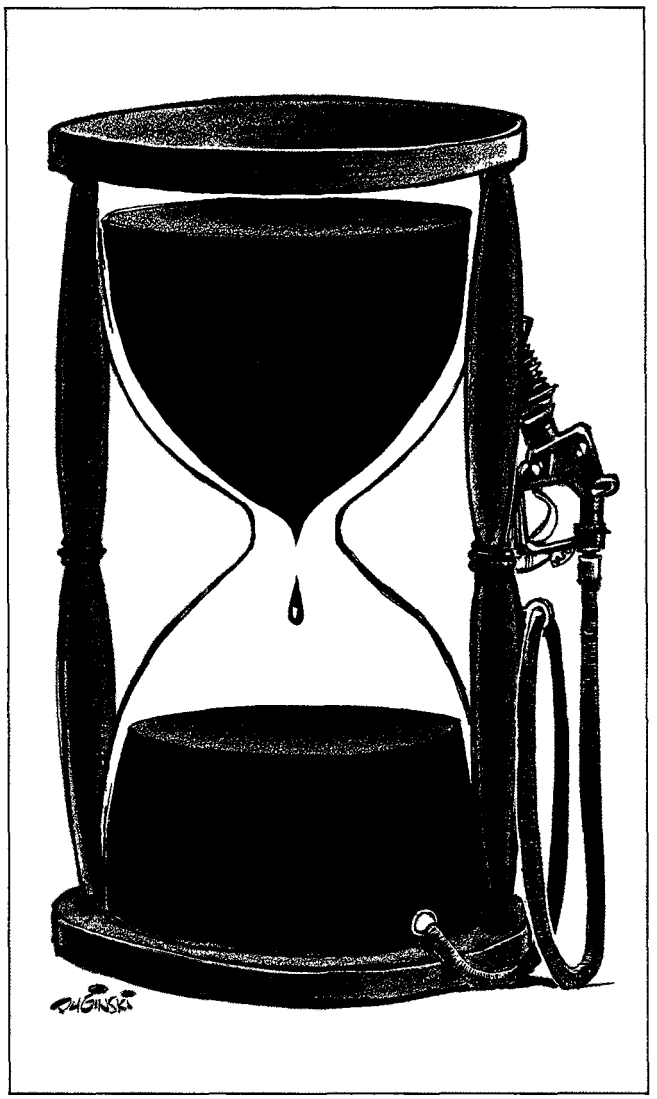
Is a major supply disruption possible? "It's nearly a 100 percent certainty at some point over the next 10 years," insists Commissioner Emilio E. Varanini of the California Energy Commission. "There are simply too many things that can go wrong inside the system — political and social things like a widening, all-out war in the Persian Gulf or a major break in the Alaskan pipeline or some type of coup or terrorist activity against the Saudis."

Some progress

Varanini believes the next crisis could involve as much as a 10 or 20 percent oil-import shortfall, an event with far more serious repercussions than the 1973 Arab embargo or the 1979 Iranian cut-off. For example, during a major supply disruption of 12 percent, the Energy Commission estimates that the price for a barrel of crude oil could skyrocket over 150 percent overnight. This could cause such massive transfers of payment to oil companies that the entire U.S. economy could be wrecked in a matter of days.

But even without a supply disruption, energy costs escalate, forcing the consumer to spend more every year at gas pumps, for heat and light and, ultimately, for every product that either uses energy or costs energy to produce.

"It's all been forced on us faster than we can absorb," says Nolan Danes vice president for planning and research for Pacific Gas and Electric Company. "If taken gradually over a period of 10 or 20 years, the shock effect (from rising energy costs) on the economy would be far less. But it takes time to produce cars with better fuel economy or homes with better insulation. It takes time to cut down on what people spend for energy.



"Conservation is one of the most important elements in reducing oil imports and getting a proper supply-demand balance," Danes says. "And California is doing a tremendous job with conservation vis-a-vis other states."

The question remains, however: Has the state done enough? Some progress is apparent in the transportation sec-

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tor. California has been a leader in promoting van and car pooling, research on better traffic flows, increased fuel-efficiency standards for autos and trucks and research on more efficient hauling methods by the trucking industry.

But the utilities sector remains heavily dependent on highly vulnerable oil or expensive natural gas. Over the past few years, the state's regulatory climate and economic realities have forced California utilities toward a more diverse energy system. There are some promising new projects in areas like wind and solar power, co-generation, hydro, nuclear and geothermal, but nearly 65 percent of the state's electricity production still comes from oil or natural gas. While the gas supply is itself diversified, reducing the vulnerability to cut-off from any one source, the cost of that gas is enormous, especially from Canada and the proposed Alaskan pipeline.

But California does possess one ace-in-the-hole in the energy game: the money that other states and regions have already spent for power. California utilities are aware that there has been some significant over-building of electricity-generating capacity elsewhere in the West, especially massive nuclear and coal complexes in Washington, Arizona and Nevada. When brought on-line, these complexes will produce power which California can plug into — at a cost — through interstate grid networks.

Because of this interstate umbrella, Commissioner Varanini thinks California's electricity picture is in good shape. "But," he admits, "it could still be a close call" if planned nuclear units at Diablo Canyon and San Onofre fail to come on-line.

Barbara Barkovitch, head of policy and planning for the California Public Utilities Commission, paints a more cautious picture. "California is holding its own," she says, but insists the state will "never be fat. California has lower reserve margins (excess electricity-generating capacity) than other states or regions and, at today's costs, we simply can't afford to build that reserve from the ground up."

As far as natural gas is concerned, Barkovitch believes supply vulnerability has been reduced by acquiring diversified sources such as Canada, Mexico, internal California production and interstate pipelines. But the eventual cost of that vulnerability reduction could be astronomical. As of January, California and interstate gas cost $3 per million BTU. Mexican gas and Canadian gas, delivered through older transportation systems, cost two-thirds more, or $5 per million BTUs. Canadian gas delivered to Southern California through newer transportation systems costs utilities 133 percent more than domestic gas. And the proposed Alaskan production — not even scheduled to come on-line until 1988 — would cost 300 percent more than other domestic productions: $9 per million BTUs in 1982 dollars. That would be the regulated price; deregulated, the cost of Alaskan gas would be cosmic.

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The risk of complacency

The state's hydro situation is an annual game of chance, depending as it does on the volume of mountain snow packs. The current situation is bright because of tremendous early winter snowfalls in the western Sierra. In addition, recent tax incentives for low-head hydro production has resulted in an avalanche of applications by potential private producers — what one observer calls "hydro-mania."

But such temporary blessings as filled dams and excess oil supplies can promote a dangerous public complacency. In fact, Danes says, the energy glut is unfortunate. "The current, plentiful supply may give the wrong signals to users and customers," he explains. "It's an abundance that won't hold long-term. Beyond the current decade, there's still a problem of constrained supply — a problem of energy (being) available in a form that is deliverable to the customer."

If the era of cheap energy is over — and experts agree that it is — then the road ahead probably will lead to what Varanini calls "the Europeanization of the American middle class. More and more disposable income is going for survival rather than luxury because of upward pressure on food and energy prices," he says. And this upward pressure will result in major transfers of wealth from those who require energy to those who produce it.

So far, California has fared better than other regions in terms of economic dislocation. Part of the reason is the diverse, high-technology nature of California industry and part involves political decisions made as far back as the early 1970s. During Governor Reagan's administration, the state began to steer away from a monolithic energy system — relying on a few, massive and costly power stations — and toward a more flexible system, one that would eventually incorporate less costly geothermal, hydro, solar, wind, co-generation and conservation into an energy scheme. Under the Jerry Brown Administration, California jumped ahead of other states in pushing for development of renewable sources of energy, use of alternative fuels and conservation standards.

But the national energy problems must be addressed with long-range planning which has not yet begun. The National Energy Act of 1978 reflects this lag: Three of the five laws subsequently passed under the Energy Act provide for emergency oil allocation and are only designed to operate after the fact of an emergency situation. Indications are that the Reagan Administration will allow oil companies and the "free market" to react to any major oil shortfall without major interference from Washington.

"No one knows what practical problems will arise," claims a report recently issued by the state Energy Commission's committee on contingency planning. "The competitive market strategy (proposed by the Reagan Administration) is based on assumptions about market behavior and economic side effects that may not be valid." The committee also cites a report from the General Accounting Office that admits, "The U.S. government is almost totally unprepared to deal with disruptions in oil imports."

Commissioner Varanini considers such lack of preparedness a serious threat. "The country must begin, now, to understand its entire energy picture — who affects energy flows, and how and what is really happening in the world, geo-politically," he says. "Only then can the United States identify its vulnerabilities and set about to reduce them."

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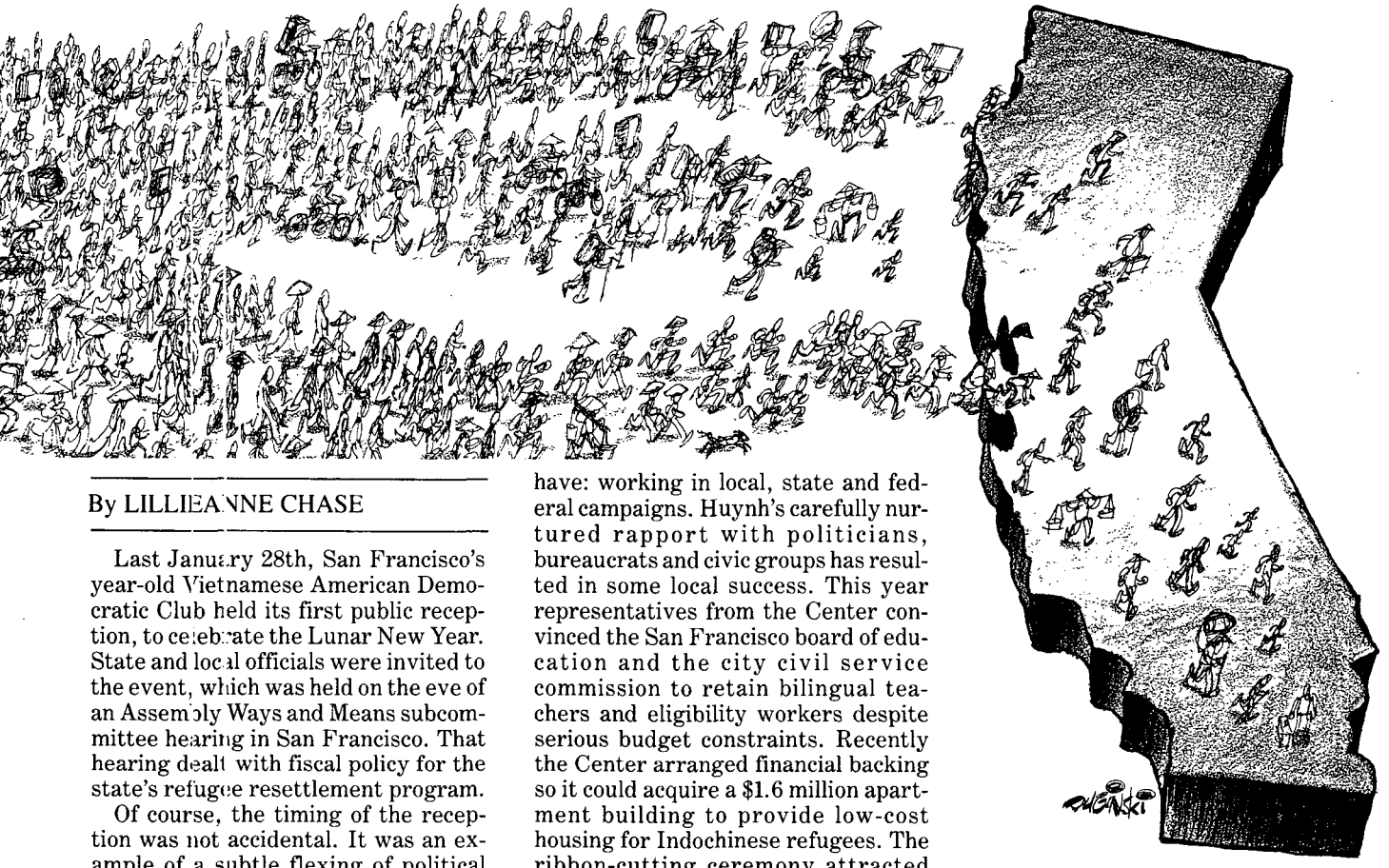
The state's new minority — 175,000 Vietnamese refugees



By LILLIEANNE CHASE

Last January 28th, San Francisco's year-old Vietnamese American Democratic Club held its first public reception, to celebrate the Lunar New Year. State and local officials were invited to the event, which was held on the eve of an Assembly Ways and Means subcommittee hearing in San Francisco. That hearing dealt with fiscal policy for the state's refugee resettlement program.

Of course, the timing of the reception was not accidental. It was an example of a subtle flexing of political muscle by San Francisco's Vietnamese leaders who were concerned about refugee program funding priorities.

Vietnamese refugees, who began coming to the United States in 1975, constitute a new minority in California which now totals about 175,000. Michael Huynh, president of the San Francisco Vietnamese American Democratic Club and executive director of the Center for Southeast Asian Refugee Resettlement, arrived in San Francisco as part of the so-called "first wave" of Indochinese refugees. With his understanding of the American political system, Huynh recognized early that the refugee population would have to make itself felt to realize any social and economic gains. As Huynh acknowledges, "Who are we? We don't have the votes; we don't have money; we are not organized. We have to organize now for the future."

He began laying the groundwork for a viable Vietnamese political force with the only currency that non-voters have: working in local, state and federal campaigns. Huynh's carefully nurtured rapport with politicians, bureaucrats and civic groups has resulted in some local success. This year representatives from the Center convinced the San Francisco board of education and the city civil service commission to retain bilingual teachers and eligibility workers despite serious budget constraints. Recently the Center arranged financial backing so it could acquire a $1.6 million apartment building to provide low-cost housing for Indochinese refugees. The ribbon-cutting ceremony attracted San Francisco Mayor Dianne Feinstein and an array of other public officials.

On the legal front, the Center has filed a class action suit against the state of California, challenging a regulation which requires that refugees possess proof of resident status from the Immigration and Naturalization Service (INS) before becoming eligible for resident fees at the state college and university system.

As yet, there is no comparable political activity among the refugee population elsewhere in the state, but their growing numbers cannot be ignored. More than 35 percent of all of the nation's one-half million-plus Indochinese refugees have settled in California. Texas, the state with the next largest share, has one-fourth that number.

There are at least three reasons why California is attracting more than one-third of all Indochinese arrivals. One is a rather haphazard national resettlement policy which has provided little planning or direction for dispersal of the refugee tide. Other reasons: the state's pacific climate and its large indigenous Asian population.

Furthermore, the new arrivals to California tend to settle in those areas which already have a large refugee population. The sheer number of Indochinese refugees concentrated in Santa Clara, Los Angeles, San Francisco, San Diego and Orange counties constitutes a silent force in the politics of those communities.

Many of the Indochinese come to California when they first arrive in the United States, but an additional number also migrate here from other states. Statewide, about 25 percent of California's refugees are secondary migrants. The percentage is as high as 50 percent in some areas.

In spite of a reduction in U.S. refugee quotas announced recently by the Reagan Administration, California will continue to receive a steady flow. The state Department of Finance estimates that the refugee population will increase by about 3,000 to 4,000 a month in the federal fiscal year 1982.

The task of resettling is a long and costly one. The first wave of refugees

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represented, in terms of education, professional status and employability, the "cream of the crop." However, they were followed, starting in 1978, by the so-called second wave. The characteristics of this later group are distinctly different from the first. They are less educated: A survey conducted by the Department of Social Services of those receiving public assistance showed that in 1981 about 50 percent of those for whom an educational level was known, had less than a ninth-grade education, compared with 39 percent in 1978. Increasing numbers are illiterate even in their own language.

They also come from rural areas and thus are unfamiliar with the highly technical American society. Daily living is a challenge and competing in the labor market a nightmare. Many list occupations such as carpenter, noodlemaker and seamstress, but few have skills that are transferable to the mechanized American labor market.

Language skills, work skills, adjustment to a new, vastly different society — the obstacles to achieving self sufficiency in a short time — are obvious. Public assistance statistics reflect this. The Department of Social Services estimates that about 60 percent of the entire refugee population in California was receiving cash assistance as of September 1981.

The Refugee Act of 1980 authorized the federal government to provide 100 percent reimbursement to the states for the costs of cash and medical assistance to needy refugees for a maximum of 36 months from the date of their arrival in the U.S. On April 1st, 1981, the 36-month time limit became effective for the first group of refugees. As federal aid ceased, the state and county governments were forced to assume that share of public assistance costs.

Given economic projections, the labor market and the lack of federal funds, the potential cost of services to refugees represents "megabucks," according to Marion Woods, director of the state Department of Social Services. In June 1981, 73 percent of the first group to become "time-expired" continued to be eligible to receive aid after the federal reimbursement ceased. An additional 2,000 to 3,000 refugees become time-expired each month in California, costing the state and counties an estimated $30 million for the federal fiscal year 1982.

And the federal government has proposed reducing the 36-month cash support to 18 months for all refugees except those receiving Aid to Families with Dependent Children and Supplemental Security Income for the aged and disabled. The federal government would then reimburse the counties for an additional 18 months for any refugees eligible for the more stringent county program of General Assistance. However, many states do not have General Assistance programs, and some officials anticipate that the adoption of the 18-month proposal will result in an even greater secondary migration to California, which does have General Assistance.

The goal of refugee programs is to make the new arrivals economically self-sufficient as quickly as possible. Social services such as employment services, language and vocational training, and health-related services are prerequisites to assimilation. Yet the federal government has begun to decrease funding in this area also, reducing California's share from $28.9 million in 1980 to $20.1 million in 1981. Further reductions are expected this year.

Housing and job competition

The state's education system must provide support systems — interpreters, special education materials and special training for teachers — to those schools with refugee children. Funds from the federal government in this area are not keeping pace with the demand. In 1981 the state Office of Bilingual-Bicultural Education received $6.7 million which it distributed among the state's school districts. More than 40,000 refugee children were enrolled. For 1982 the state received a little more money — $6.9 million — but the number of students increased 34 percent, to 55,000.

Refugees also have significant impact in other areas of California life. New arrivals tend to settle into low-income areas, thus competing with other low-income groups for affordable housing.

Refugees also compete with other minimally skilled workers in the labor market. Whether it be in the competition for an apartment in Linda Vista, a clerical job in San Francisco or a seat in an adult education class in Los Angeles, the danger of social conflict with other low-income groups increases as available resources decrease.

State legislators, especially those representing impacted counties, have become aware of a new constituency. The Ways and Means Committee hearing in January was a response to statewide controversy over the funding priorities established by the 1981-82 budget. Criticism of the Office of Refugee Services' administration of refugee programs prompted an audit by the auditor general at the request of the Legislature.

But the task of assimilating new immigrants will not diminish in the coming decade, and the Indochinese are only a part. Currently the state's total refugee population also includes about 10,000 from Afghanistan, China, the Near and Middle East and Latin America as well as about 10,000 Cubans and Haitians. There are also an unknown number of refugees from El Salvador without benefit of legal status.

According to the Population Reference Bureau, a private, non-profit, educational organization which gathers information on national and world population trends, future immigrants to the United States will be 45 percent Latin American and 40 percent Asian. Statistics from the Immigration and Naturalization Service show that 28 percent of all Latin American immigrants and 31 percent of the Asians designate California as their intended residence.

The Indochinese constitute just one element in a California's changing poulation, foreshadowing a different minority mix and, perhaps, a new political dynamics. But the task of assimilating these groups will be a long and costly one, for the state, the refugees and the communities in which they settle.

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THE INFORMATION REVOLUTION

Electronics, computers, satellites, biotechnology, robotics — these are no longer dreams. They are the driving imperative that is restructuring the world economy. These new technologies are fundamentally changing our communications, agriculture, environment, schooling, financial institutions, family life and our national security. California is now the leader in these technologies, but we will not remain so unless we mobilize the political will and individual responsibility to act. The first pre-condition is technological literacy. That means our schools must augment the 3 "Rs" with the 3 "Cs" — computing, calculating, and communicating through technology. We will do so or succeeding generations will inherit a society stagnating in the aftershocks of massive foreign imports and obsolete industry.

Governor Edmund G. Brown Jr.
1982 State-of-the-State Address

By PATRICIA A. RUBIN

Author Alvin Toffler says three major developments have changed the course of civilization. The first was the plow which opened the Agricultural Age. The second, the steam engine, brought workers out of the fields and into the factories. The third, according to Toffler, is the technology of information storage and retrieval. This technology already affects every sector of the economy, and it is likely to have more influence on lifestyle in California and elsewhere than did the invention of the automobile.

Today more than 50 million Americans are involved in handling information. They use a vast array of sophisticated technologies that make it possible to gather, organize, store, crosscheck and instantly retrieve massive amounts of data. The gadgetry of the Information Revolution includes computers, satellites in space, word processors, cable television, optical fibers, microwaves, large TV screens and even robots. And such complex tools are no longer reserved for an elite group; the Information Revolution is here for anyone with a telephone and a television set. Some examples:

- **A home computer** can be programmed to balance the checkbook, pay the bills, turn sprinklers on and off, calculate taxes, play poker or chess, help edit a book or an article, correct spelling or control household heating and cooling.
- **Recently 204 homes** in Coral Gables, Florida, were the subject of a 15-month study testing "non-store marketing." Using a telephone, a television set and a keyboard, consumers could order goods or plan a vacation. They could contact a variety of retailers to find out what merchandise was available and its cost. Viewers could also turn on the TV, type a telephone number and a password on the adjacent keyboard, then sit back and read the latest news in the *Miami Herald*. The experiement was conducted by Viewtron Corporation, a subsidiary of the Knight-Ridder newspaper chain.
- **In Sunnyvale** there is a computer named Reverend Apple that is programmed to marry people. The bride and groom stand before the display screen and keyboard. The groom types in the command RUN WED and the ceremony begins. "Hello, I'm Reverend Apple. I'm the world's first ordained computer."
- **Many hospitals** around the world now link their computers into a data-sharing system that allows them to be aware immediately of new treatment methods for certain diseases.

Yet experts insist that this is only the beginning — the Stone Age of the Information Revolution. Barbara O'Connor, professor of communications studies at California State University, Sacramento, says, "The capabilities that are available now sound far out, but the potential is even farther out."

Living with computers

Of all the information tools, the computer is probably the most powerful. Novelist and computer hobbyist Frank Herbert says flatly that "the computer will have more influence on what people do than all of the effects laid at the door of both fire and the wheel." Competition in the field is fierce, and computer power is going up while prices are coming down. Very powerful small computers are now within the price range of many household budgets. "Very soon," Herbert says, "if you don't have access to a computer, you're going to be racing in something equivalent to the Indy 500 — only you'll be on foot."

There are at least 500,000 computers in the United States, doing the work of millions of office workers in insurance companies, hospitals, government agencies, libraries, grocery markets, department stores, newspapers and banks. They are used for inventory control, billing, filing, information storage and more. At the Social Security Administration, for example, 19,000 information employees work with half a million reels of computer tape and a million reels of microfilm in order to meet demands for government services. Bank computers are tied into the national electronic fund transfer system. The entire foreign exchange market is based on information, and here fortunes can be made or lost because of information. Walter Wriston, chairman of Citicorp, a multinational financial institution, says, "Today, when the president holds a news conference, it shows up on the dollar/sterling crossrate in 60 seconds."

Many police departments are tied into the FBI's computerized national crime-information system. Hospitals have doctors and patients connected to a national medical-information network. Clearly the most fundamental service of computers to date is information storage and retrieval. For example, one computer service already available links users with the *New York Times* Consumer Information Bank, all of the UPI international news, more than 3,000 computer programs, an electronic mail system, a travel club, hundreds of games, a national real estate locator service, stock and financial information, and more. Called the SOURCE, it is the first home terminal consumer information and mail network in America.

Paying bills by TV

Not all computerized data banks require a home terminal. Two sophisticated methods of bringing enormous amounts of information into the home require only a modified television set. One is Teletext (also called CEEFAX and Oracle). The other is Videotext (also called Viewdata or Prested). For each, a special decoder box attached to the TV accepts the signals from the main computer, and a typewriter-like keyboard or a hand-held, calculator-like unit is used to request

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information. Viewers can receive both words and graphics.

Teletext began in Great Britain in 1974 as an experiment by the British Post Office. Now more than 45,000 British viewers can choose from dozens of kinds of information: news, stock and financial reports, sports, classified advertising, weather reports. Teletext serves as an electronic newspaper, dictionary and encyclopedia.

Videotext goes a step farther. Videotext is a two-way information service that uses the telephone line or cable TV channel to link viewers to its main computers. It lets viewers call up (through a typewriter-like keyboard and the telephone) and respond to the information. This requires an adapter for the television set. Videotext can transmit many thousands of pages of information, and there is no waiting. Homes with Videotext services can order merchandise from mail-order catalogs, pay bills, transfer funds or make reservations. A central company puts together a number of large computers into which go masses of information. At home a subscriber punches a number on a keyboard and makes a phone call to the computer. The computer answers and begins transmitting the requested information. The television converts the digital information into printed text. Unlike Teletext, this is shown against a blank screen.

The British have been using Videotext for about 12 years. Until five years ago, little was happening in the United States with Teletext or Videotext. Currently fewer than five U.S. television stations transmit Teletext, and about 20 work with Videotext. All are experimental. The list of companies involved in these tests includes some of the biggest newspaper, banking, broadcasting, manufacturing and cable companies in the country. Among them they have sunk about $100 million into these tests. Most of the Videotext experiments planned or under way are joint ventures: Knight-Ridder and AT&T, Radio Shack and CompuServe, Dow Jones and Sammons Cable. Others involved include the Times-Mirror Company, the *New York Times* and the *Washington Post*. Each month the list grows. Conservative estimates place the Teletext/Videotext market at $10 to $15 billion by the 1990s.

The changing newspaper

Computer technology is a hot topic in newspaper circles. Predictions abound that newspapers will be left behind in the dust of the new technology, but so far that is not the case. Studies forecasting the future of the media, Videotext and Teletext show mixed results. One study concludes that commercial television and newspapers will remain America's primary sources of news at least until the year 2000.

Larry Kahaner, an associate editor of *Communications Daily*, believes that newspapers are in a better position than other news organizations to exploit the new technology. In fact, they are already doing so. Advanced technology in the form of computers, satellites, laser beams, electronic still cameras and cable TV is drastically changing the ways in which newspapers are produced, journalists do their jobs and the public receives its information.

But the most profound effect is not the ease or increased speed in putting out the paper. It is the potential of providing great masses of information to any audience. "Information has become a saleable commodity — like gold or silver," writes Kahaner. Newspapers are being forced to change the way they view the information world. There are other competitors providing some of the kinds of information newspapers traditionally deliver, and some erosion of newspapers' uses is apparent.

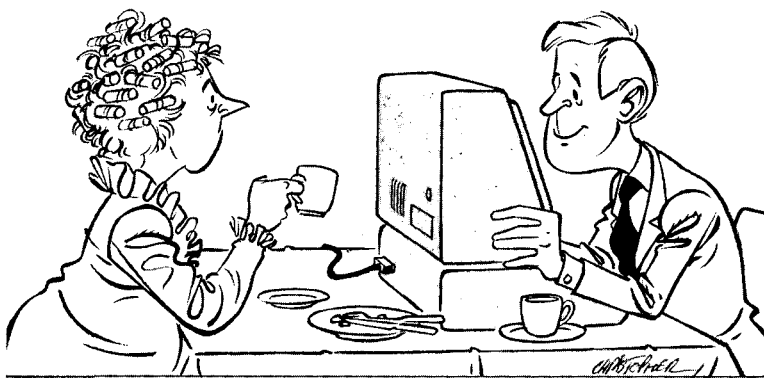
Already the *New York Times*, the *Washington Post*, the *Los Angeles Times*, the *San Francisco Chronicle* and about a dozen other papers distribute their pages over telephone dial-up computers such as CompuServe in Columbus, Ohio, which has about 15,000 subscribers.

One powerful impetus for newspapers' interest in electronic delivery is cost. According to some experts, the expense of printing and delivering newspapers will double, at least, every decade, while the costs of electronic delivery and preparation will decline by at least a factor of 10 every six years.

Satellites and shuttles

Another element of the Information Revolution is the communications satellite, a relay station in space. Satellites provide a communications path in which distance is no obstacle. With satellites, a speech can be heard both where it is given and thousands of miles away. Satellites can also transmit pictures. Unlike surface relay stations, a satellite can serve many stations simultaneously within its coverage area.

Satellites have also dramaticlly changed cable television. Cable almost died a quiet death until Home Box Office decided to hook up with the RCA satellite and go nationwide with first-run movies beamed to cable systems across the country. Today Ted Turner's Cable News Network sends satellite-transmitted news to cable systems 24 hours a day. The Public Broadcasting System transmits programming via satellite to non-commercial channels. And satellites are beginning to be used to distribute radio material by networks such as RKO and Mutual. Dow Jones, parent company of the *Wall Street Journal*, is the pioneer in the field. It uses a satellite to transmit facsimile pages of the *Journal* to printing plants across the country. William Dunn, vice president and general manager, says that this "wasn't something we did out of a special desire to be first . . . There was tremendous cost pressure on us."



Some newspapers are beginning to experiment with the delivery of advertising via satellite. The facsimile advertising project, or SAT FAX for short, was organized in 1980 by the American Newspaper Publishers Association (ANPA) and is designed to test the feasibility of distributing national advertising by satellite. Charles Everill, head of the SAT FAX Project Management Group, says the idea has many advantages: faster than conventional mail and cheaper for advertisers because they would not have to provide copies of an ad for each newspaper. Television has already begun satellite distribution of national advertising to stations in the top 50 markets outside New York City. For a fee, these stations duplicate the commercials and distribute them to other stations in the area.

Reservations for space on satellites is growing, and space is finite. According to Kathleen Criner, ANPA director of telecommunications affairs, "parking slots" are limited. "As a result," she says, "larger and more sophisticated satellites will evolve in order to obtain more intensive use of these valuable locations."

Still on the horizon is something called DBS — Direct Broadcast Satellites. This new generation of communications satellites will be able to beam television programs, for exam-

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ple, directly into the home. The government-chartered Communications Satellite Corporation (Comsat) plans a DBS service with three pay channels for 1985. Although other DBS plans have been announced, it is the $600 million Comsat plan that has attracted the most attention and caused the greatest controversy. Comsat has booked two 1985 space shuttle flights to place its satellites in orbit. On the ground, the company plans to sell three-foot diameter receiving dishes for $200 to $300. Scrambled signals will be broadcast to the dishes, which will unscramble them. Plans call for subscribers paying about $25 a month for Comsat programming. In Canada this is already happening; a pilot, direct-to-home project began last September.

Rush to cable TV

Another major ingredient of the Information Revolution is cable television. Cable TV is what its name implies: a system for transmitting television programs over wires or cables rather than through the atmosphere. Cable TV got its start in the early '50s as a way to bring a clear picture and a greater selection of channels to areas with poor reception. At that time it was called Community Antenna Television, or CATV, and it served mainly suburban and rural areas.

Today, according to the *Television Digest Factbook*, there are 4,300 cable systems with about 17.2 million subscribers. This represents 23 percent of American television households. More than a quarter of California households subscribe to cable. In fact, California has more subscribers than any other state, and three of the six largest cable markets are in California: Los Angeles/Palm Springs, San Francisco/Oakland and San Diego.

What began as a method of improving television reception promises to become a growth industry. Cable's potential mushroomed when it was discovered that the mass of wires could carry more channels than could the airwaves. Most existing systems offer 12 to 15 channels. New systems being built have a capacity for anywhere from 36 to 200 channels. Cable now means more than entertainment. It is a sophisticated method for satellite-transmitted films, news, sporting events, operas and other kinds of informational, educational and cultural programs. Cable also serves as a medium for community-based programs, something commercial television has never done.

In addition to information, cable can provide emergency and security systems. San Francisco's Viacom Cablevision, which is the oldest urban cable system, last fall became the first cable company on the West Coast to offer subscribers a home security sytem. The system can alert residents to break-in or fire by using intrusion sensors and heat detectors that are connected to the cable. The cost is $600, plus $24.95 for maintenance and monitoring. Predictions are that soon subscribers will be able to shop and bank by the tube.

Cable TV may also mean changes in the way politicians campaign for office. Two-way cable — where viewers can talk back and ask questions — may make politicians more aware of and more sensitive to constituents' needs and concerns.

One ambitious experiment currently under way in Columbus, Ohio, is called QUBE. Its testing began in late 1977 over one of Warner-AMEX (American Express) cable television stations. QUBE is similar to Videotext except that it sends information along unused cable TV channels. QUBE combines television and the computer. Four computers scan the cable system every six seconds and record which sets are turned on and to which channels. Viewers are asked to respond to questions about programs at least 10 times per day. The computer instantly tallies the results of any poll or survey and shows the results on the screen. QUBE can also activate fire, burglary or other emergency alarm systems through an additional device.

Although QUBE has been touted as the ultimate in participatory television, opinions concerning QUBE surveys and programs vary. Freelancer Stephen Levy writes, "Despite much bally-hoo about the talk-back function, the concept of interactiveness has not caught on like wildfire among the citizenry of Columbus." Jeff Borden, television critic for the *Columbus Dispatch*, suggests that "QUBE is the perfect example of technology outstripping the imagination that created it."

Disturbing trends

Civil libertarians detect reflections of Big Brother in the Information Revolution. The same technologies that enable a democratic government to compile, store and instantly retrieve dossiers on its citizens for benign purposes can be used by a totalitarian state to stifle dissent, they warn. There is similar concern about current trends in both the print and broadcast media. Cities that once supported a number of competing daily newspapers are now down to one, and it is most often chain-owned.

A majority of Americans now depend not on the press but on television for their news. Television newscasters, competing for time with the "happy talk," sports and weather, are restricted to ticking off a few of the day's headlines. Television and computers have created significant changes in the techniques and costs of political campaigns, and thereby on the total political scene. Already cable TV appears to be heading toward domination by a few giant conglomerates like AT&T, Westinghouse, Warner-AMEX.

The significance of these trends is what spurred a nationwide conference of writers that met in New York last year. They fear that the rapidly advancing concentration of ownership in the communications industry "threatens as never before to exclude and silence serious writers who are out of political or literary fashion." The writers warned that the technologies responsible for the Information Revolution could enable the owners of the communications industry to suppress the dissemination of information which they found unpalatable.

Clearly the questions yet to be answered are these: Will the general public be masters or servants of the Information Revolution's technology? And will the public welfare benefit or suffer as a result?

(For additional information on the political use of computers, see "Computer Democracy," CJ, June 1980.)

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CHARTING THE LEGISLATURE

The following is a list of significant bills pending before the Legislature in mid-April.

ABORTION

AB 3221 (Ivers), 3346 (Wray), 3394 (Sebastiani), 3407 (Leonard), 3476 (Baker), 3690 (Cortese), 3766 (Sebastiani); SB 732 (Montoya), 1745-1746 (Schmitz), 1807 (Speraw), 1876-1877 (Doolittle), 2003, 2005-2006, 2065 (Alex Garcia), SCA 29 (Schmitz). These 18 measures declare that human life begins at the moment of conception, impose additional informed consent requirements for abortions, mandate reporting procedures on physicians, limit health insurance coverage for abortion, prescribe various medical procedures, prohibit the referral of minors for abortions or contraceptive services, and make other changes. (Most Assembly bills are pending in Health, Education, or Judiciary Committees; most Senate bills are pending in the Senate Judiciary Committee, except for SB 732, which is in the Assembly Judiciary Committee.)

ANIMALS

SB 1438 (Roberti). Prohibits public pounds or animal societies from selling or giving away dogs, cats or other animals for purposes of research or experimentation. (Senate Finance Committee)

BUDGET

SB 1325 (Alquist)/AB 2360 (Vasconcellos). 1982-83 Budget Act for the support of state government. (Senate version is in Senate Finance Committee; Assembly version is in the Assembly Ways & Means Committee.)

SB 1326 (Alquist)/AB 2361 (Vasconcellos). Budget trailer bills. Enact multiple changes in state programs designed to reduce the cost of state services. (Senate version is in Senate Finance Committee; Assembly version is in the Assembly Ways & Means Committee.)

CRIMINAL JUSTICE

AB 2845 (Rogers). Requires the Department of Corrections to notify local law enforcement agencies and the victim of a crime of the release, community placement or escape of an inmate. (Assembly Criminal Justice Committee)

SB 1322 (Rains). Permits members of the press to attend parole hearings held by the Board of Prison Terms. (Senate floor)

AB 2406 (Greene)/SB 1350 (Doolitte). Authorizes local police chiefs and sheriffs to request and receive information concerning federal parolees released in California. (AB 2406 is in the Senate Judiciary Committee; SB 1350 is in the Assembly Criminal Justice Committee.)

EDUCATION

SB 1985 (Richardson). Authorizes school districts to dismiss teachers whenever school boards determine there are insufficient funds budgeted to pay their salaries. (Senate Education Committee)

ELECTIONS AND CAMPAIGNS

AB 3178 (Alatorre)/AB 3385 (Vasconcellos). Provide for the public financing of political campaigns. (Both measures in the Assembly Elections and Reapportionment Committee)

SCA 46 (Boatwright)/SCA 47 (Marks.) Create a reapportionment commission to approve redistricting plans for the state Legislature, state congressional districts, and Board of Equalization. (Assigned jointly to the Senate Elections and Reapportionment and Constitutional Amendments Committees)

EMPLOYMENT

AB 3320-3321, 3323-3326, 3332-3334, 3338-3339 (Berman, Nolan, Frizzelle, Elder, Herger, Wright, Moore). These measures revise basic state civil service hiring and examination practices, disciplinary procedures, promotional practices, and employee performance factors. (Assembly Governmental Organization and Public Employees and Retirement Committees)

AB 3412 (Costa), SB 1500 (Vuich), SB 1390 (Nielsen). These bills make numerous changes in laws governing agricultural labor relations as they relate to unfair labor practices, conformity to the National Labor Relations Act, employee membership in unions, and striking employees. (AB 3412 is in the Assembly Labor and Employment Committee; SB 1390 and 1500 are in the Senate Industrial Relations Committee.)

GAMBLING

AB 2577 (Vicencia). Legalizes off-track betting on horseracing in California. (Assembly Governmental Organization Committee)

SCA 42 (Holmdahl). Constitutional amendment authorizing the Legislature to permit the establishment of gaming casinos in one or more of three specified areas of the state. (Senate Governmental Organization and Constitutional Amendments Committees)

AB 2414, ACA 65 (Kapiloff)/ACA 62 (Hannigan). The Kapiloff measures authorize a state-operated lottery in which the net proceeds would be allocated for the support of the public school system and the University of California. The Hannigan measure would authorize charitable organizations to operate lotteries for charitable purposes. (All measures in the Assembly Governmental Organization Committee)

GUN CONTROL

ACA 77 (Dave Stirling). Constitutional amendment prohibiting local governments from banning or regulating the ownership of firearms. (Assembly Criminal Justice Committee)

HEALTH CARE

AB 3400 (Filante). Republican Medi-Cal reform proposal. Provides for county or regional administration of the Medi-Cal program, continued state/federal funding with a set level of funding determined by each county's prior year's caseload. (Assembly Health Committee)

AB 2617 (Torres). Enacts the California Comprehensive Health Insurance Act. Requires all carriers and self-insurers who issue comprehensive and Medicare supplemental plans to offer such plans to eligible groups and individuals. (Assembly Finance, Insurance and Commerce Committee)

HOUSING

SB 1862 (Keene)/AB 3507 (Young). Establishes "buy-down mortgage plans" for first-time home purchasers to enable more persons to buy homes. Authorizes the submission of a $500 million bond issue to voters to finance such plans. SB 1862 additionally provides for the financing of rental housing developments. (SB 1862 is in the Senate Local Government Committee; AB 3507 is in the Assembly Housing and Community Development Committee.)

JUDICIARY

ACA 36 (Larry Stirling)/SCA 25 (Rains). Constitutional amendments authorizing counties to consolidate their municipal, justice and superior courts into a unified trial court system. (ACA 36 is on the Assembly floor; SCA 25 is on the Senate floor.)

SCA 27 (Davis)/ACA 49 (Willie Brown). SCA 27 abolishes the Commission on Judicial Appointments and requires the governor's judicial appointments to be confirmed by the Senate. ACA 49 enlarges the Commission on Judicial Appointments to nine members. (SCA 27 is in the Assembly Ways and Means Committee; ACA 49 is on the Assembly floor.)

JUVENILE JUSTICE

AB 3496 (Floyd). Establishes a minor's right to have a trial by jury in juvenile court proceedings. (Assembly Criminal Justice Committee)

PUBLIC UTILITIES

ACR 111 (Herger). Removes the members of the Public Utilities Commission on the grounds of incompetence and neglect of duty. (Assembly Utilities and Energy Committee)

SCA 48, SB 1677 (Vuich)/ACA 73 (Cortes)/ACA 75 (Chacon). Requires the five members of the Public Utilities Commission to run for election. (Senate measures are in the Senate Energy and Public Utilities and Constitutional Amendments Committees; Assembly measures are in the Assembly Utilities and Energy Committee.)

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Heavyweight championship

Although 45 seats will be at stake in California's congressional elections this year, the main contest already shapes up as a fight between two contenders who aren't even in the same district. It's Phil Burton against John Rousselot — a heavyweight match that promises to put every other bout in the shade. From his liberal base in San Francisco, Burton has risen to a dominant position in the Democratic delegation. Rousselot, who represents San Marino and other conservative Los Angeles suburbs, similarly has no peer on the GOP side. Each is a powerhouse in national party councils. And for many years, each has been itching to deliver the final knockout punch that would permanently sideline the other. The preliminary sparring is over; the main event has begun.

ON PAPER, BURTON AND ROUSSELOT will be running against separate opponents in their own bailiwicks. But a closer look quickly reveals that each of the principals has been deeply involved in lining up opposition for the other. Rousselot played a key backstage role in coaxing San Francisco state Senator Milton Marks, a liberal Republican and proven vote-getter, to challenge Burton. As executive vice chairman of the National GOP Congressional Committee, Rousselot now is set to funnel hundreds of thousands of dollars from party coffers and business groups into the Marks campaign. For his part, Burton made Rousselot a special target when he drew California's congressional reapportionment map. As a result, Rousselot is running in a heavily Democratic district which Burton carved out to increase Hispanic representation. Burton's protégé in this new Los Angeles County district is Assemblyman Marty Martinez, who has the endorsement of the California Democratic delegation — compliments of Phil Burton. To cite just one more coincidence, managing the Martinez campaign is none other than Michael Berman, Assemblyman Howard Berman's brother who helped Burton redistrict the state.

If Marks is Rousselot's stand-in against Burton in San Francisco — and that's only a slight exaggeration — Martinez is Burton's surrogate south of the Tehachapi. It's fast becoming a no-holds-barred fight that could spell an end to the political careers of the two most powerful Californians in the House. Each greatly relishes the discomfiture of the other. In fact, hostilities are so intense that each could lose his own seat precisely because he's more interested in knocking off the other. "Rousselot is spending more time and having more fun working on the Marks campaign in San Francisco than in tooling up for his own re-election," a GOP colleague recently remarked. While disclaiming arm-twisting tactics, Rousselot acknowledges that he actively encouraged Marks to oppose Burton. According to some reports, Rousselot's fine hand was behind threats conveyed to Marks that he could expect well-financed primary opposition in 1984 if he refused to play ball with the White House and GOP leaders in going against Burton this year.

As a political version of the Hatfields and McCoys, the Burton-Rousselot feud is so encrusted with legend that it's almost impossible to trace its origin. Ideological differences appear to have played a negligible role, even though Burton is as far left as Rousselot is far right. Both are too pragmatic to take do-or-die positions on issues. In fact, Burton has piled up an impressive record of pro-labor and environmental legislation by making frequent deals with conservatives. The roots of this vendetta are more personal and political. Each man simply grabbed for more power than the other could tolerate. It's as if each crossed a no-trespass zone, prompting a retaliatory strike that eventually escalated into full-blown warfare. Burton set out to enlarge his sphere of influence in the delegation by controlling reapportionment after the 1970 and 1980 censuses. Rousselot was just as determined to checkmate Burton's efforts. Along the way, gentlemanly methods to resolve such conflicts were swept away. Now, it's all bare knuckles.

Who started it? At this point, the question is almost irrelevant and the answer, at best, elusive. After Democrats chalked up sizeable congressional gains in the early 1970s, Rousselot set out to reverse the trend by grooming and financing attractive GOP candidates to run against Democratic incumbents. He gradually whittled back the Democratic majority in the delegation to a razor-thin 22-21 margin. Rousselot's poaching in Democratic districts nullified Burton's 1970 reapportionment work. There was just one hitch. Rousselot's encroachments violated a long-standing gentleman's agreement that Republican incumbents wouldn't meddle in election campaigns in Democratic districts — and vice versa. Incumbency was to count for more than partisanship. Rousselot would have none of it. Emboldened by preliminary successes, he struck hard in 1980 when one of his chief targets was Democrat John Burton, Phil's brother, whose unorthodox behavior and antics during debate invited a serious Republican challenge.

John Burton managed to win re-election, but Phil was furious. As Johnny's older and highly protective brother, he retaliated by helping Democrat Tom Lantos defeat Republican incumbent Bill Royer in San Mateo County, then moved directly against Rousselot. Last year, during a Potomac cruise hosted by a group of California bankers, Burton told Rousselot that he would pay a heavy price for targeting his brother. Sure enough, when Burton unveiled his reapportionment map, Rousselot was the only GOP incumbent seeking re-election to be stranded without a district.

AT FIRST, ROUSSELOT half-jokingly threatened to move to San Francisco and run against Phil Burton. He flirted with the idea of running next door in Los Angeles County in the district of GOP Congressman Carlos Moorhead, who was told he could get a federal judgeship to make room for Rousselot. After Moorhead rejected the deal, Rousselot decided on a grand gamble against Burton. He would run in a Democratic district tailored by Burton for Martinez, while using Marks to pin down Burton in San Francisco.

Rousselot believes Burton may be vulnerable this year because, in hopes of protecting John, he diluted Democratic registration in his own district. John's last-minute decision to retire from the House, he thinks, left Phil out on a limb. Democratic strategists counter that Phil Burton is apt to have the last laugh because he'll still be running in a strong Democratic area while the odds are greater against Rousselot, a conservative forced to try his luck in heavy Democratic territory.

As the suspense builds, all other congressional races in California will be mere side-shows.

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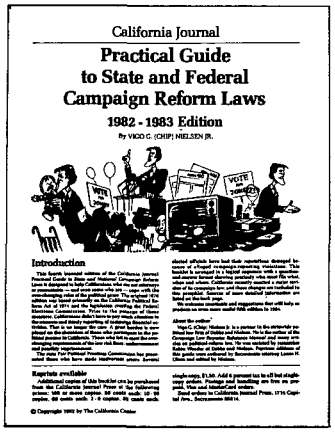

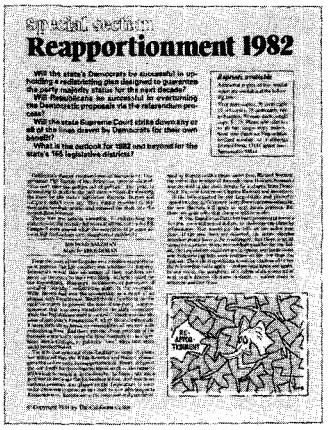

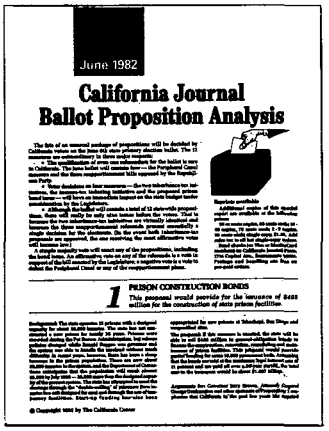

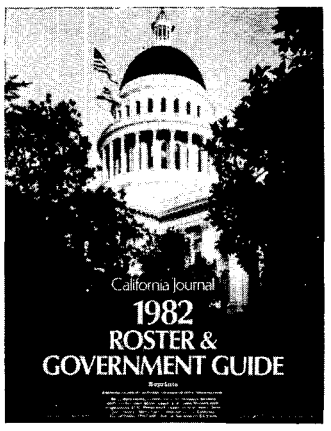

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the magnitude, or the majority.
Its glory is to lead them,
not where they want to go,
but where they ought to go.

— JOSEPH JOUBERT

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